

***United States Court of Appeals
for the Second Circuit***



APPENDIX

UNITED STATES COURT OF APPEALS
FOR THE SECOND CIRCUIT

-----X
UNITED STATES OF AMERICA :

Appellee, :

-v- :

MICHAEL GARDNER, :

Appellant. :
-----X

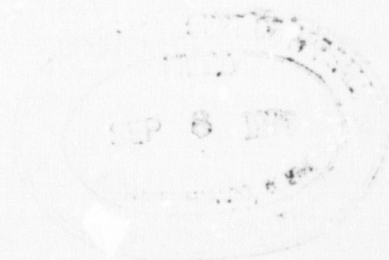
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76-1339

APPENDIX TO BRIEF FOR
APPELLANT MICHAEL GARDNER

Appeal From A Judgment of
Conviction in the United
States District Court for
the Southern District of
New York

VOLUME III

Donald E. Nawi, Esq.
2 Park Avenue
New York, New York 10016
Attorney for Appellant
Michael Gardner



PAGINATION AS IN ORIGINAL COPY

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S. Michael Gardner

475 FIFTH AVENUE
NEW YORK, NEW YORK 10017
(212) 689-3044

March 19, 1974

Mr. Bob Johnson
British American Bank Note Co.

Toronto, Ontario

Dear Mr. Johnson,

Enjoyed speaking to you on phone yesterday,
and am sure we will have a mutually beneficial
business relationship.

Enclosed are the specimen signatures you
requested. Please do not hesitate to call on me
if there are any further questions.

Yours very truly,

S. Michael Gardner

SMG/sb

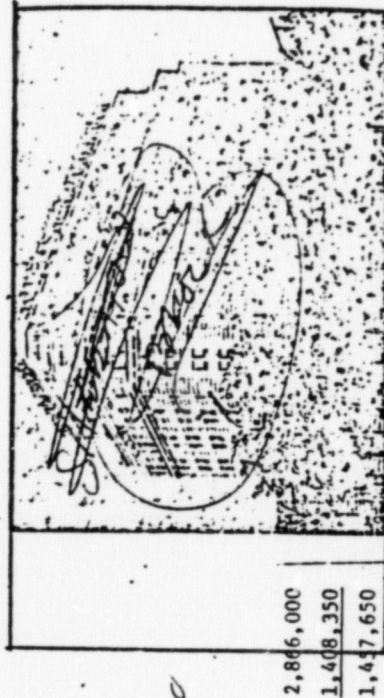
FINANCIAL SUMMARY 0.000

HOTELS	\$ 32,301,000
MORTGAGES	<u>12,650,000</u>
	\$ 19,651,000
LAND VALUE	
HOTELS	16,199,000
OTHER	<u>8,430,000</u>
TOTAL VALUE	\$ 44,280,000*

TOTAL CASH FLOW
CASH FOR DEBT SERVICE
CASH AVAILABLE FOR EXPANSION, ETC.

LAND VALUE UNDERSTATED BY OVER \$30,000,000
TOTAL MUNICIPAL TAXES PAID 1973-74 - \$700,000.

The "World of Niagara Falls Inc." has been formed for the purpose of purchasing shares in White Holding Ltd. "The World of Niagara Falls Inc." will own 40% of White Holdings Ltd. at the successful completion of this offering.



FOXHEAD



Dining Room

WHITE WILDS 000000

SHERATON FOXHEAD HOTEL

SHERATON BROOK HOTEL

SHERATON MOTOR INN

SHERATON JEFFERSON HOTEL

NATIONAL HISTORICAL WAX MUSEUM

NATIONAL MARINE AQUARIUM

THE ROYAL CENTRE INC.

HOLLYWOOD WAX MUSEUM

STORYBOOK LAND LTD.

WILL-BOL INDUSTRIES LTD.

MALL OF THE MIST MOTEL

FRONTIER PRIMITIVES LTD.

BURRIDGE SPRINGS PROPERTY

ARM LENDING CORP.

INTERNATIONAL ROOISLAND WAX MUSEUM

TECHNICAL WAX SHOP

DETROIT INKS AGENCY

LIVAREA SPICE SPICAL

ESOTICAL WAX MUSEUM

AUTOS

AIR PLATES

PLATE 2

PANASONIC TOWER 0000

PANASONIC CENTRE

LONG TERM LEASE WITH RESTAURANTS, REVOLVING BARS, GIFT SHOPS, ETC.

PANASONIC CENTRE (INCLUDES)

1) PANASONIC TOWER (MAKE SURE TYPE FACE IN ACCORDANCE WITH PANASONIC)

-665 FT. ABOVE NIAGARA GORGE

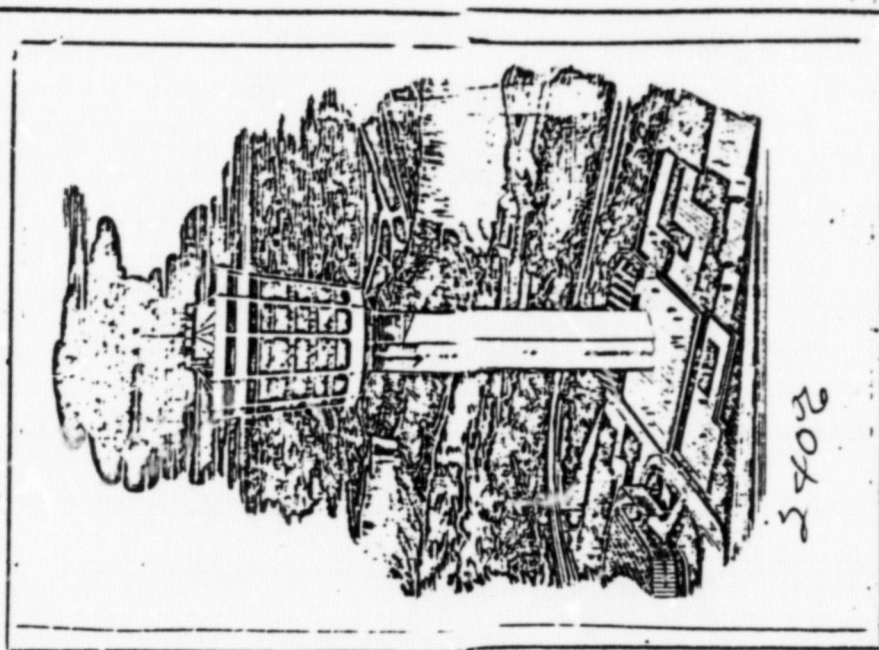
-GROUND FLOOR, INTERNATIONAL BOUTIQUE MALL (SUCH COUNTRIES AS INDIA, ENGLAND, STOTLAND, ETC. REPRESENTED)

-26th FLOOR (PICTURE) CONVENTION DINING ROOM (SEATS 125 PEOPLE, GLASS ENCLOSURE, MAGNIFICENT VIEW OF THE FALLS)

-27th FLOOR, DINING ROOM FOR DAILY PATRONS (SEATS 150 PERSONS), AGAIN GLASS ENCLOSURE

- THE TOWER IS 665 FEET ABOVE THE GREAT GORGE, AND OFFERS THE FINEST VIEW OF THE MIGHTY CATARACTS AVAILABLE, PLUS SIX UPPER FLOORS, WHICH HOLD DINING AREAS, A LOUNGE, AND OBSERVATION LEVELS.

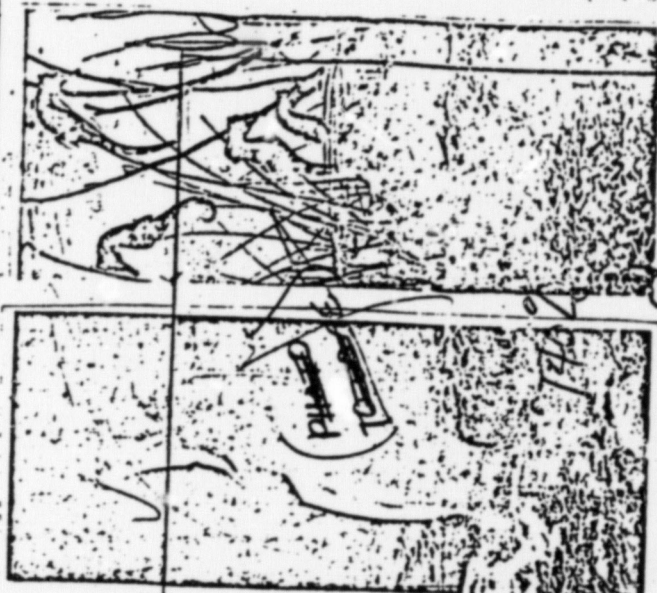
LONG TERM LEASE
REVENUE
\$1,000,000
100,000



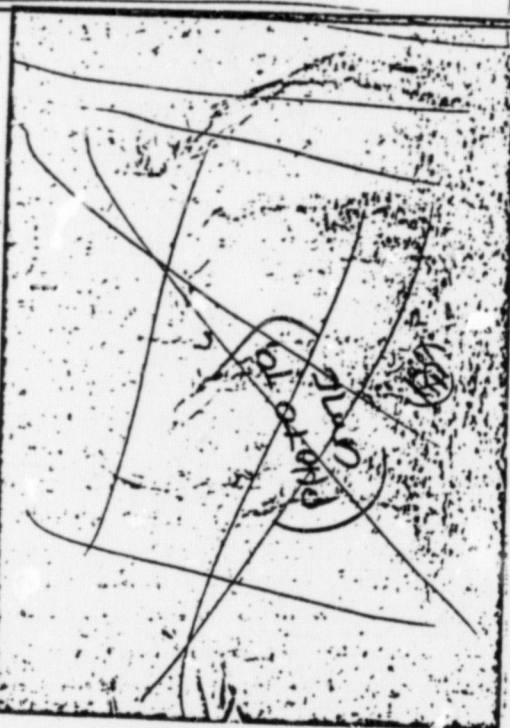
NATIONAL MARINE AQUARIUM 0900

NATIONAL MARINE AQUARIUM - OVER ONE THOUSAND SPECIES OF SEA LIFE ON DISPLAY - FEATURING THREE DOLPHINS AND A SEA LION IN A VERY ENTERTAINING DAILY SCHEDULED SET OF SHOWS

-ACTUAL BURNING SPRING, WELL OF NATURAL GAS DISCOVERED BY CHIPPAWA INDIANS. THEY WORSHIPPED IT AS THEIR GOD - MUSEUM BUILT AROUND WELL
PRICE \$600,000
REVENUE

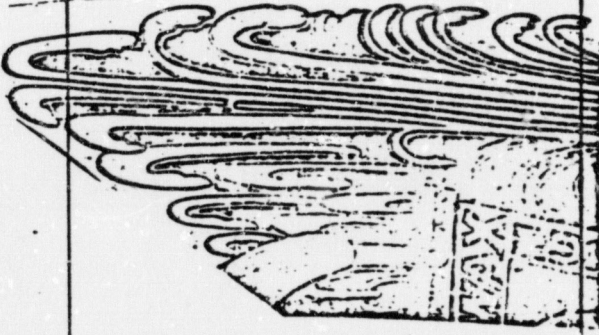


PUSH



WALTZING WATERS / BURNING SPRING WAX MUSEUM

WORLD FAMOUS WALTZING WATERS - (MAY 15 TO OCTOBER 14) NIAGARA'S NEWEST SPECTACULAR FOR THE WHOLE FAMILY - 225,000 GALLONS OF WATER, COLOURED LIGHTS, STEREO MUSIC. 600 WATER JETS ARE USED TO PRODUCE FOUNTAIN FORMATIONS, RISING, FALLING, AND SWIRLING IN PERFECT SYNCHRONIZATION WITH THE MUSIC.



BURNING SPRING WAX MUSEUM - GREAT MOMENTS IN NORTH AMERICAN HISTORY CAPTURED IN LIFE SIZE THREE DIMENSIONAL TABLEAUX, WITH FIFTY EXCITING SCENES FROM CHRISTOPHER COLUMBUS TO LANDING ON THE MOON.



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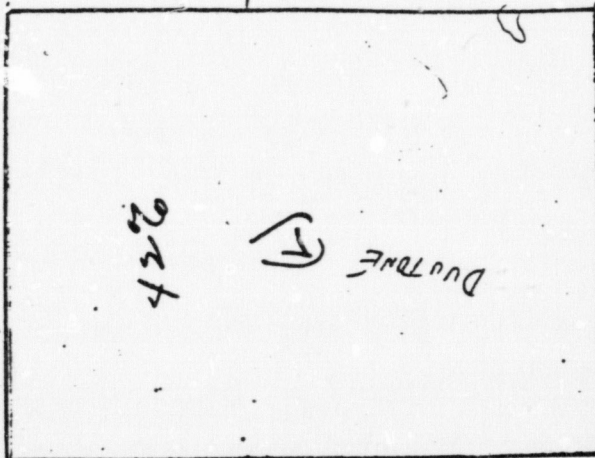
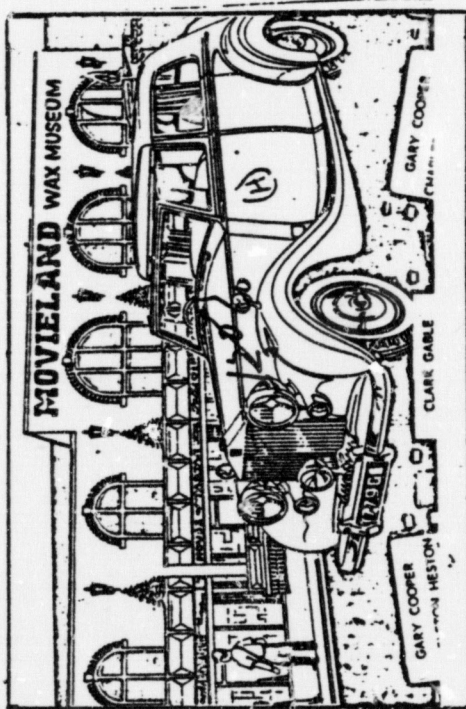
HOLLYWOOD WAX MUSEUM / NIAGARA SPACE SPIRAL TOWER 0000

HOLLYWOOD WAX MUSEUM

REPRODUCTIONS OF FAMOUS STARS ETC. AND GIFT SHOPS

COST \$275,000

REVENUE 1974



NIAGARA SPACE SPIRAL TOWER

THIS TOWER HANDLES PEOPLE PER DAY DURING PEAK SEASON FROM JUNE 1 TO LABOUR DAY. BEAUTIFUL VIEW OF NIAGARA BOTH CANADIAN AND AMERICAN.

COST \$100,000

REVENUE - \$15,000 PER YEAR

MALL OF THE MIST MOTEL / BIBLICAL WAX MUSEUM 0000

MALL OF THE MIST MOTEL

A ROOM FOR EVERYONE - TRAVELLERS COME TO THE FALLS AND SOMETIMES CANNOT AFFORD A FIRST CLASS HOTEL - WE CATER TO EVERYONE.

46 UNITS

-LARGE GIFT STORE, RESTAURANT, SNACK BAR

- ADEQUATE PARKING, WITHIN 20 PAGES YOU ARE LOOKING DIRECTLY INTO MOUTH OF THE HORSESHOE FALLS

COST

REVENUE 1974

(AGAIN BROCHURE REFERENCE)

COST 400,000

REVENUE 1974

BIBLICAL WAX MUSEUM

SITUATED ON MAIN STREET IN NIAGARA, ETC.

COST \$650,000.

REVENUE \$200,000 in 1974

1000 ISLAND MUSEUM CAR SHOW AND GIFT SHOP AND AQUARIUM

COST

REVENUES 1974

OTHER ASSETS IN CANADA

STORYBOOK LAND, CRYSTAL BEACH

(SOME REFERENCES IN PANASONIC CENTRE'S SECTION)

VALUATION

REVENUES 1974

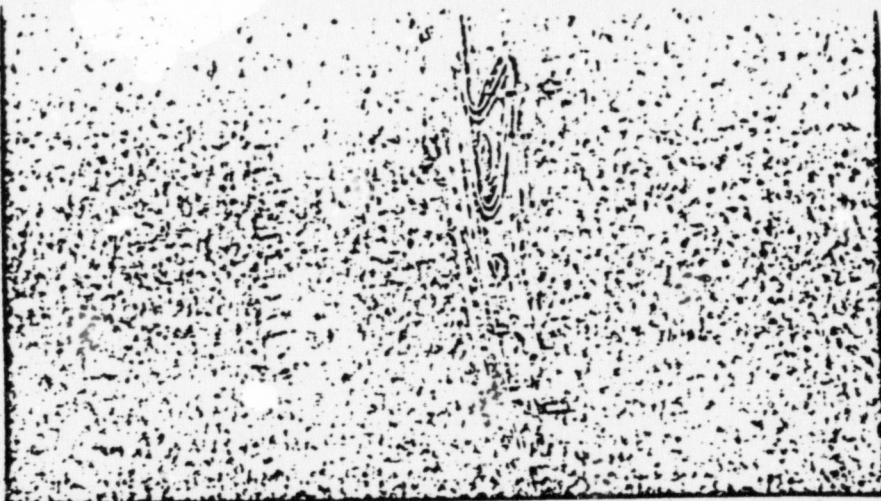


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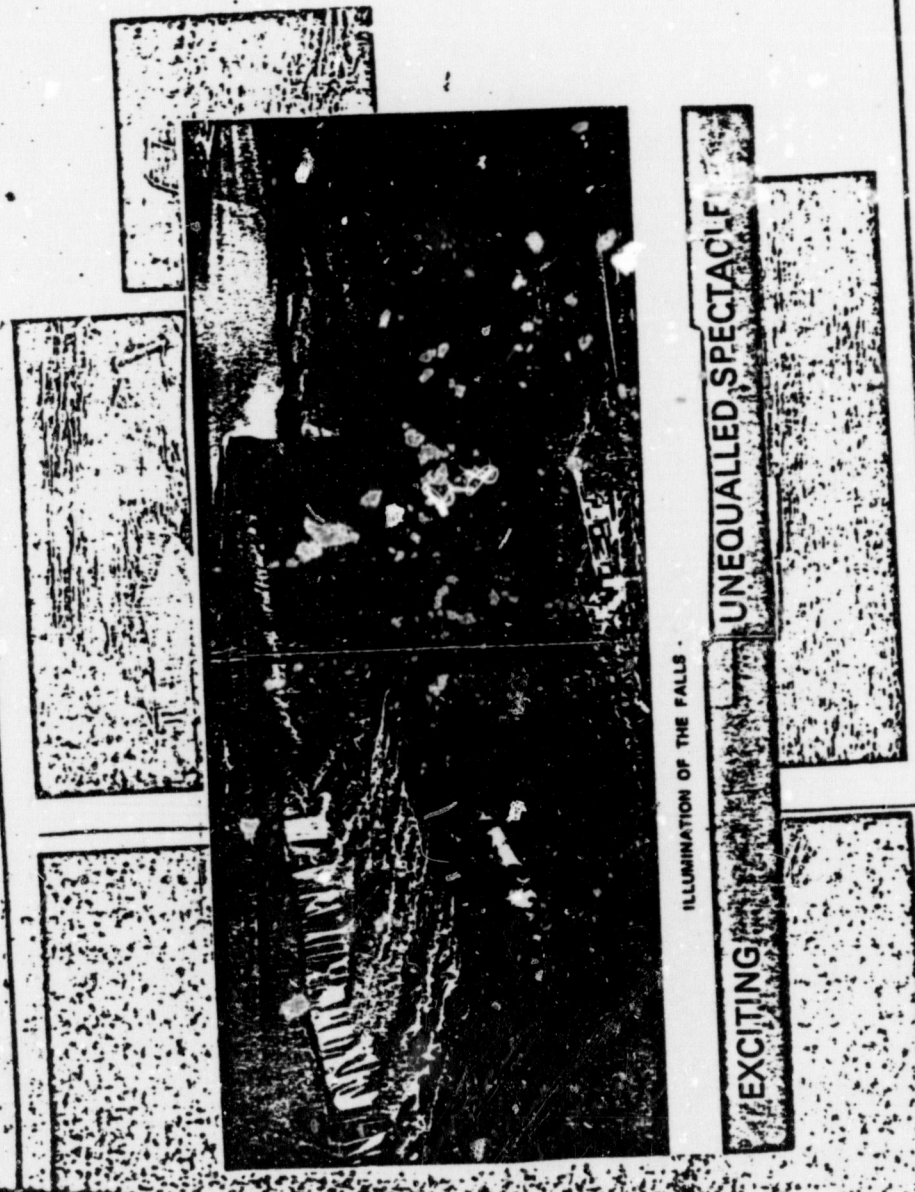
DIAGRAM FALLS 0000 WE 77.700 VNN



Page 8

SCENERY

Gardner Ex. G
A 117



ILLUMINATION OF THE FALLS

UNEQUALLED SPECTACLE

EXCITING

page 9

ADM LEASING / JOHN MICHAEL / FRONTIER PRINTING 0000

ARM LEASING

PRODUCES REVENUE FROM CAR RENTALS TO OUT OF TOWN

TRAVELLERS

INVESTMENT of \$30,000
REVENUE \$5,000 IN 1974

JOHN MICHAEL

MENS WEAR STORE FOR AUDIENCE

INVESTMENT OF

REVENUE FOR 1974

ARM LEASING

EXECUTIVE LEASING

- LEASES ANYTHING ON RUBBER FROM VOLKSWAGONS, LIMOSINES,

TRUCKS, ETC.

-CORPORATION SEVEN MONTHS OLD, ALREADY HAS 60 UNITS

OUT (CONT)

JOHN MICHAEL MENS SHOP

-EXCLUSIVE EXECUTIVE MENS WEAR

-SQUARE FOOTAGE 6,200 SQ. FT. (INCLUDES PARKING MENS FOR HOTELS AND ALL ADVERTISING FOR WHITE GROUP. A

ARM LEASING (CONTINUED)

-ANTICIPATED 100 UNITS YEARLY

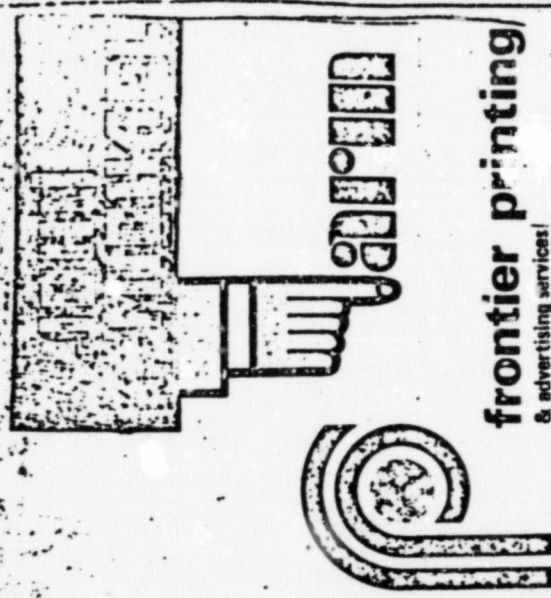
-EVENTUALLY WANTS TO OWN DEALERSHIPS IN NEADA SAME AS MUSEUMS AND MUSEUMS A STEP TO THE VERTICAL INTEG

-INITIATED IN 1973, GOT OFF TO A BIG START OF WHITE HOLDINGS

ALL 1974 FORD VEHICLES IN THE GRAND BALLROOM OF PLANT AND EQUIPMENT \$175,000.

SHERATON BROCK. ALL LOCAL DIGNITARIES, POLITICAL REVENUE

ETC. PRESENT.



frontier printing
& advertising services

FRONTIER PRINTING

A PART OF THE GROWING EMPIRE FOR PRINTING POST CARDS FOR

BIG STEP IN THE HORIZONTAL INTEGRATION PLANNING OF WHITE

(STRIVING FOR AS MUCH SELF SUFFICIENCY IN THIS EMPIRE AS

ALL 1974 FORD VEHICLES IN THE GRAND BALLROOM OF PLANT AND EQUIPMENT \$175,000.

SHERATON BROCK. ALL LOCAL DIGNITARIES, POLITICAL REVENUE

ETC. PRESENT.

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SHERATON-BROCK HOTEL 3,000 ROOMS WITHIN A CITY

SHERATON BROCK HOTEL

NIAGARA SHOW PLACE

BANQUET FACILITIES

HONEYMOON CENTRE OF NORTH AMERICA

(ALSO TO BE ATTACHED FUNCTION SPACE)

RECOMMENDATIONS

IN REFERENCE TO HOTELS . . . THEY ARE ALL (BROCK, FOXHEAD & JEFFERSON) "CITIES" WHERE SOME PEOPLE ACTUALLY SPEND THE MAJORITY OF THEIR LIVES.

EXAMPLE: BROCK

DINING FACILITIES (EAT)

LOUNGES (DRINK)

16 PIECE ORCHESTRA REGULARLY IN BALLROOM (BE MELEY)

BEAUTY SHOPS, BARBER SHOPS, DRUGSTORES, RECREATIONAL

FACILITIES (SWIMMING POOLS, SHUFFLEBOARDS) AND

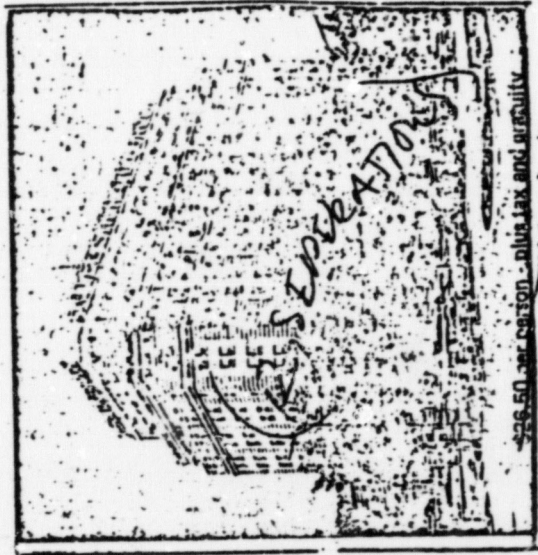
ALL FACILITIES TO CONDUCT DAY TO DAY BUSINESS

(CITIES WITHIN THE CITY)

A \$9,000,000 SHOW PLACE

INSURED VALUE OF BUILDING & CONTENTS, \$6,276,000.

Seating Accomodations for All Function Rooms here
Sheraton Brock Hotel and Sheraton Foxhead Inn.



25.50 per person - plus tax and gratuity

Sheraton Brock Hotel

Sheraton Grand Ballroom	-	seating accomodations	-	1100
Sheraton Ballroom	-	"	-	700
Sheraton Brock Room	-	"	-	400
Elizabeth Room	-	"	-	200
Railway Salon	-	"	-	180
American Board Room	-	"	-	50
	-	"	-	30

SHERATON FOXHEAD HOTEL 0000

SHERATON FOXHEAD HOTEL FLAGSHIP OF WHITE HOLDINGS

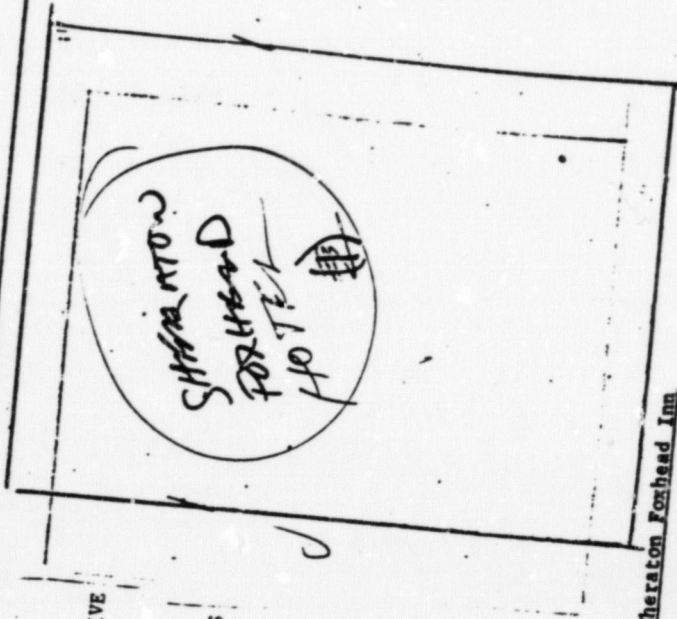
ROOMS ENJOY 100% CAPACITY FOR 70 CONSECUTIVE

DAYS IN 1973 SEASON

SPECTACULAR VIEW, CHOICE LAND, IRREPLACEABLE
REPLACEMENT VALUE \$15,000,000 BLDG. & CONTENTS

INSURED VALUE \$ 7,275,000

LAND VALUE \$ 7,725,000



Sheraton Foxhead Inn

Penthouse *
Mexican Room
United Nations Room

seating accommodations - 500
" " - 150
" " - 70

* Please note that the Penthouse is available in the winter months only.

paid

SHERATON MOTOR INN 0000

SHERATON MOTOR INN

This 208 ROOM MOTOR INN

DINING ROOM SEATS (100 PERSONS), SMALL

LOUNGE, LARGE SWIMMING POOL, SHUFFLEBOARD

COURTS, INDOOR & OUTDOOR PARKING, ESCALATORS

TAKE YOU TO SECOND LEVEL.

MAINLY USED FOR BUS GROUPS & FAMILIES CAUSE OF

THE CLOSE (COURT LAYOUTS) TOGETHERNESS FEELING

PROJECTED IN THE PLANNING AND CONSTRUCTION.

COST \$5,500,000

INSURED \$1,750,000.00

LAND VALUE

REVENUES

map
parts

(10)

(photo blue)*



FINANCIAL SUMMARY & OFFERING

3

1E15

1000 Surinam dollar museum

! 750 H. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835. 836. 837. 838. 839. 840. 841. 842. 843. 844. 8



9, Blvd * 1606 sound de elevated

BEST COPY AVAILABLE

March 22, 1974

Mr. Saul Shubin,
Bomarc Development & Research,
ARabellastr 5,
8 Munchen 81.

Dear Mr. Shubin:

RE: Porklean Farms Limited

Mr. J. Kirby has requested us to write directly concerning our company.

The company was formed in 1971 for the purpose of incorporating several basic novel ideas in the production of hogs.

Point Number one- In most hog operations throughout the world little thought has been given to the housing of animals by giving the maximum comfort to the animals and at the same time utilizing production methods with labour saving devices. Our buildings are well insulated, under constant temperature control with total automatic feeding, for example one man handles one barn including feed mill operation handling up to 280 pigs. So far as we are aware no operation in North America can state the above.

Point number two- Our waste treatment system eliminates the offensive odours generally connected with farm operations. The sewage is further treated with the extraction of methane which in turn provides our source of heat and power. This enables us to locate anywhere without dependance on local power requirements.

Point number three- Our production system evolves around the number of farrowing crates. Through charts and records the crates are kept filled at all times except for sufficient time to permit proper cleansing. Here again management is import to ensure proper scheduling of scouring the pens, proper feeding of sows and care of the young. Proper hygiene is maintained at all times.

Point number four- Our stock is the result of fourteen (14) years of our own breeding selection plus the results of Connaught Laboratories of Toronto, prior genetic research and development program. We understand that Connaught, whorare the largest manufacturers of insulin in the world, used in their selection, the best boars and sows from various types with a primary York background to produce long

- 2 -

lean carcass having excellent ham and bacon qualities so as to create at the present time a true average 160 days to market weight of 200 pounds. This is well below the general average although individual claims on much smaller herds with special attention are possible.

Point number five- In North America we have not discovered other than a potential half dozen who can produce breeding stock for sale of four or five hundred per year or more and maintain quality. One is able to buy small lots from small breeders but this means continually introducing strange lines, increasing the incident of disease and loss of choice genetic characteristics. As we maintain four grandparent lines we produce unlimited breeding stock.

Point number six- The fact that we are producing 20 pigs per sow per year with a constant 435 sows at the present time to 460 sows with six men plus manager speaks for itself. The only equivalent size operation of which we are aware in North America would require at least two and one half times that in labour and several times the capital cost in buildings.

A review of the statistics in our brochures which are accurate will stand against any claims by any producers anywhere.

We will be forwarding photographs shortly showing the individual interiors of the buildings and the animals.

If necessary we will come to Munich if time could be saved.

Jerry mentioned you are looking for potential investments in Ontario. You might be interested in investing by way of a first mortgage on our farms for long term, \$600,000. at nine percent or a straight investment.

This writer is also involved in the establishment of a new winery going into production this fall involving an investment of about \$950,000. This will show a return after 8 years of approximately twenty percent. The pilot plant has established all necessary chemical formulas by our wine chemist and we are building a strong marketing team.

- 3 -

Would you have Jerry call me upon receipt of this letter. The numbers are- office- 685-5411 and the home number is 684-0269.

Yours truly,

PORKLEAN FARMS LIMITED

Per:

L. Ross Allen

LRA/iu

April 4, 1974

Mr. G. Kirby,
c/o Mr. Saul Shubin,
Bomarc Development & Research,
ARabellastr 5,
8 Munche 81, Germany.

Dear Gerry:

Please find enclosed current financial statement
proforma and photographs.

The current statement is as of March 31st and
covers a ten month period only.

The proforma statement is a typical year operation
without principal or interest payments with, of course, the net profit
to be divided among the shareholders after corporation tax. The
percentage of the feed costs is low and should probably be increased
to sixty-four percent of the gross which would reduce the net profit to
approximately \$325,000.00

The enclosed photographs are simply various close-up
shots and include the guts of the feed mill.

The proforma of course, including the net profit
would be increased proportionately with an increase in the number of
breeding sows. To calculate any such increase simply increase the
proportionate percentage of the feed leaving the other costs constant.
Our present manpower could easily handle to 800 sows with the improved
building design we contemplate.

We trust the above will suffice to proceed.

Yours truly,

PERRLEAN FARMS LIMITED

Per:

L. Ross Allen

LRA/iu
encls.

McLEAN, LYONS & KERR

BARRISTERS & SOLICITORS

372 BAY STREET
TORONTO, CANADA
M5H 2X5

CABLE ADDRESS: MCLEANLAW
TELEPHONE: 364-5371

WILSON E. McLEAN, Q.C.
G. T. SPENCE LYONS, Q.C.
H. C. KERR, Q.C.
WILLIAM E. PATERSON
ROBIN B. CUMINE
RICHARD J. ROBERTS
JOHN W. HANDIAK
JAMES MURPHY
ROBERT J. ARCAND
H. J. BLAKE
WALTER R. STEVENSON
ROBERT J. GOODMAN
MARTIN A. SEAR

March 29, 1974.

PLEASE REPLY ATTENTION OF
H.J. Blake

EKALB INVESTMENTS INC.,
Suite 1000,
372 Bay Street,
Toronto, Ontario.

Dear Sirs:

Re: EKALB INVESTMENTS INC.
(herein called the "Corporation")

We are writing to report to you on the incorporation and organization of the Corporation.

Incorporation

The Corporation was incorporated under the laws of the Province of Ontario by a Certificate of Incorporation dated March 1, 1974.

Objects

The Corporation was incorporated with the following objects:

- (a) To invest in shares, stocks, bonds, debentures, and other securities and other evidences of indebtedness and obligations issued or guaranteed by any corporation company, chartered bank, association, partnership, syndicate, entity, person or governmental, municipal or public authority, domestic or foreign, and evidences of any interest in respect of any such shares, stocks, bonds, debentures and other securities and other evidences of indebtedness and obligations and to lend money without security or upon the security of personal property and to change, alter or realize upon any investments and to re-invest any moneys which may at any time be available for that purpose;

- (b) To acquire by original subscription, tender, purchase, exchange or otherwise and to hold either as principal or agent and absolutely as owner or by way of collateral security and to enjoy, sell and to hypothecate any such shares, stocks, bonds, debentures and other securities and other evidences of indebtedness and obligations and evidences of any interest in respect of any such shares, stock, bonds, debentures and other securities and other evidences of indebtedness and obligations, and while the owner or holder thereof to exercise all rights, powers and privileges of ownership including all voting rights (if any) with respect thereto;
- (c) To purchase or otherwise acquire and hold, lease, let or hire real and personal property and rights of all kinds and, in particular, lands, buildings, hereditaments, business or industrial concerns and undertakings, mortgages, charges, contracts, concessions, franchises, annuities, patents, licenses, securities, policies, book-debts and any interest in real or personal property and any claims against such property or against any person, firm or corporation and privileges and choses in action of all kinds;
- (d) To establish, promote, organize, manage or develop or act as management consultants to or to assist in the establishment, promotion, organization, management or development of any corporation, company, syndicate, firm, partnership, enterprise or undertaking, or to take over, manage, operate and dispose of in any manner whatsoever any corporation, company, syndicate, firm, partnership, enterprise or undertaking in which the Company may be interested or in the securities of which it may have invested its funds or with which it may have business relations; and
- (e) To render managerial, supervisory or other services to and to advise with respect to the business or operations of and to take part in the formation, management, supervision, control or liquidation of the business or operations of any company, corporation, firm, business or undertaking wherever carried on and, for any such purpose, to appoint and remunerate any accountants, experts or agents to manage or operate the property, franchise, undertaking and business of any such company, corporation, firm, business or undertaking and to take over and manage the property, franchises, undertaking and business of any such company, corporation, firm, business or undertaking.

In addition to the specific objects contained in its Articles of Incorporation and set out above, The Business Corporations Act provides for incidental and ancillary powers which are sufficiently broad to enable the Corporation to enter into a wide diversity of commercial transactions.

Head Office

The Articles of Incorporation provide that the head office of the Corporation is at The Municipality of Metropolitan Toronto and designates 372 Bay Street, Suite 1000, Toronto, Ontario as the head office of the Corporation.

Capitalization

The authorized capital of the Corporation consists of 40,000 shares without par value. The Articles of Incorporation provide that the aggregate consideration for the issue of the said shares without par value shall not exceed in amount or value the sum of forty thousand dollars (\$40,000.00) or such greater amount as the board of directors of the Corporation by resolution determines and provided that such resolution shall not be effective until a certified copy thereof has been filed with the Minister of Consumer and Commercial Relations, all prescribed fees have been paid and the Minister has so certified, all in accordance with The Business Corporations Act.

One share without par value was issued for \$1.00 to the incorporator of the Corporation to facilitate the organization of the Corporation. That share has now been transferred into the name of Vincent Kirby. In addition a further 2 shares without par value were issued for an aggregate consideration of \$2.00 as follows:

<u>Allottee</u>	<u>No. of Shares</u>
Vincent Kirby	2

Restrictions on Transfers

The Articles of Incorporation provide for the following restrictions on the allotment, issue or transfer of shares and on the number of shareholders:

1. No share of the Corporation shall be transferred without the express consent of a majority of the directors to be signified by a resolution passed by the board of directors.
2. The number of shareholders of the Corporation, exclusive of persons who are in its employment and exclusive of persons who, having been formerly in the employment of the Corporation, were, while in that employment, and have continued after the termination of that employment to be, shareholders of the Corporation, is limited to not more than 50, two or more persons who are the joint registered owners of one or more shares being counted as one shareholder.
3. Any invitation to the public to subscribe for securities of the Corporation is prohibited.

The following are the shareholders of the Corporation:

No form of share certificate has been adopted by the Corporation and none have been issued. Evidence of share ownership is recorded only in the books of the Corporation.

The authorized number of directors of the Corporation is one.

Directors:		Vincent Kirby
Officers:	President	Vincent Kirby
	Secretary-Treasurer	Michael Gardner

The members of the board of directors of the Corporation are elected by shareholders of the Corporation at annual meetings. Interim vacancies may be filled by the directors themselves. The officers of the Corporation are elected or appointed by the board of directors. In the absence of an agreement to the contrary, the officers will continue to serve at the pleasure of the board of directors.

The Business Corporations Act requires that shareholders meet once each year not later than 18 months after the incorporation of the Corporation and subsequently once at least in every calendar year and not more than 15 months after the holding of the last preceding annual meeting.

The President of the Corporation, when present, presides at all meetings of shareholders and, if a director, of the board of directors. However, in the case of an equality of votes at any meeting of shareholders or of the board of directors, the Chairman of the meeting is entitled to a second or casting vote.

Paragraph 50 of By-law No. 1 provides that until otherwise ordered by the board, the financial year of the Corporation shall end on the 31st day of December in each year.

The Corporation's bank is The Royal Bank of Canada. A banking resolution has been passed providing that the President and Secretary-Treasurer are authorized to draw cheques on the Corporation's account.

Messrs. Gray, Butcher, Frost and Company have been appointed the Corporation's auditors.

Returns

Various reports and filings are required of the Corporation under the applicable Provincial and Federal legislation.

Regular reports and filings are:

- (a) Return under The Corporations Information Act, 1971 (Ontario) required annually within 2 months after each anniversary of the incorporation date of the Corporation.
- (b) Notice of change of directors under The Corporations Information Act, 1971 (Ontario) required within 15 days of every change of directors, stating the date of the change and the name and residence address of each person who has so become or ceased to be a director.
- (c) Notice under The Corporations Information Act, 1971 (Ontario) required within 30 days of the date on which the donation, redemption, purchase, surrender or conversion of shares of the Corporation is effected. Where shares of the Corporation are donated to, redeemed, purchased, accepted for surrender or converted by the Corporation, setting out
 - (i) the number of shares of the class donated, redeemed, purchased, surrendered or converted;
 - (ii) the number of shares of the class cancelled;
 - (iii) the number and class or classes of shares into which the shares were converted; and
 - (iv) the date on which the donation, redemption, purchase, surrender or conversion was effected.
- (d) Return under The Corporations Tax Act (Ontario) required annually within 6 months after fiscal year end.
- (e) Return under the Income Tax Act (Federal) required annually within 6 months after fiscal year end.
- (f) Return under the Corporations and Labour Unions Returns Act (Federal) required annually within 6

months after fiscal year end in certain circumstances.

Organization

All necessary steps have been concluded so that the Corporation has been duly incorporated and is existing and in good standing under the laws of the Province of Ontario and is duly qualified to own property and to carry on its undertaking in the Province of Ontario.

Books and Records

The seal and minute book of the Corporation are being held at our offices pending your instructions in that regard.

Yours very truly,

McLean, Lyons & Kerr

HJB:am



Gardner Ex. R
A 134

Porklean Farms Limited

R. R. 1, ST. ANN'S, ONTARIO

AREA CODE (416) 562-7195

Manager W. E. Matte

August 12, 1974

Kent Olsen,
55 Bocken Heimer Land Str.
Frankfurt, Germany.

Dear Mr. Olsen:

We have been referred to you by Mr. Gerry Kirby of Montreal.

We are wondering if you would be interested in assisting us in raising finances in accordance with the enclosed material.

We were working with Mr. Michael Gardner of New York but due to a number of factors we have discontinued all relations with him.

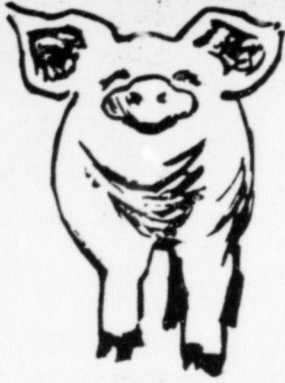
We propose to set up Porklean Farms K.G. with the head office in Munich or Frankfurt and set up a limited partnership as the vehicle to carry out our proposal.

For your information and making a preliminary set up we enclose:

1. copies of our brochures
2. financial statement of the Canadian Corporation including projected income and expense for a typical year
3. photograph of farm including help houses
4. copy of appraisal
5. disposition of capital requirements
6. copy of correspondence to Gardner under date February 12th

Currently we have 521 full breeding sows with another 30 for gilts coming into production in the next month.

Our proposal is to supply to these subsequent units for breeding, the necessary breeding stock to set up multiplier herds. We will be able to furnish up to 2000 sows and boars annually to the subsidiaries from the current herd and are therefore assured of a constant supply of replacement stock.



Gardner Ex. R
A 135

Porklean Farms Limited

R. R. 1, ST. ANN'S, ONTARIO

AREA CODE (416) 562-7195

Manager W. E. Matte

- 2 -

Would you please give the above your immediate attention as we hope to have financing completed by October 1st 1974 so that production will be commenced in the fall of 1975 for the first units.

Yours truly,

PORKLEAN FARMS LIMITED

Per: 

L. Ross Allen

LRA.iu
encls.



Gardner Ex. S
A 136

Porklean Farms Limited

R. R. 1, ST. ANN'S, ONTARIO

AREA CODE (416) 562-7195

Manager W. E. Matte

May 7, 1974

Mr. S. Michael Gardner,
475 5th Avenue,
New York, New York,
10017.

Dear Mike:

RE:Porklean Farms Ltd.

We have now reviewed the agreement in depth.

We presume there will be a trust company on behalf of the limited partners or a representative. This should be spelled out prior to execution.

We would like to see the various articles and appendices to the agreement before execution.

Paragraph five contains a blank referring to the contributions of the general partner and also refers to services already rendered or to be rendered.

We believe we understand what this includes but perhaps a clarification would be in order so that there is no doubt as to the extent of the contributions.

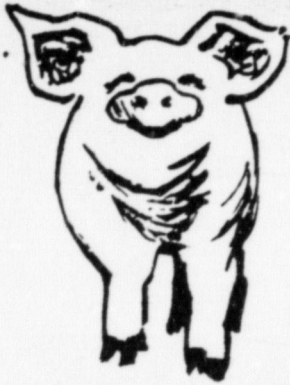
Six "b" page two refers to twenty-five percent management fee. We presume this is exclusive of travelling expenses on behalf of the partnership and of course, does not include the full time management required for each individual unit.

We feel paragraph Six 'E' should be reworded as follows: "The general partners shall have the sole discretion in the management of partnership affairs but at all times shall conduct the affairs in good faith and shall not be accountable, liable or responsible to the limited partner for all acts performed in good faith".

Paragraph Seven refers to signing of cheques. We would like to know under what specific law are persons authorized.

Paragraph eight should have the words "on reasonable notice" added after the word "intervals" end of the first sentence.

Paragraph eleven should more fully define under what term the general partners may be expelled.



Gardner Ex. S
A 137

Porklean Farms Limited

R. R. 1, ST. ANN'S, ONTARIO

AREA CODE (416) 562-7195

Manager W. E. Matte

- 2 -

On page nine paragraph twenty it refers to distribution of capital accounts. After the words "general partner" the words "in its sole discretion" should be added. A paragraph could be added for partial distribution but this is probably covered in the general preamble of the paragraph.

In paragraph twenty-one should not the partnership term be extended beyond twenty years or provisions for renewal or extention be added?

With reference to paragraph twenty-five the partner objects to the thirty percent of one hundred percent equity and the expenses of this unless this refers to our own money advanced. In view of the percentage he feels that fifteen percent of one hundred percent equity would leave us with fifty-five percent control which would allow us to have more effective management.

Please review these comments.

Yours truly,

PORKLEAN FARMS LIMITED

Per:
L. Ross Allen

LRA/iu

White Program for Europe

D White

- A) Money for printing
- B) Complete offering and print (money)
- C) Contract from Trust Co.
- D) Letter from Trust Co. listing banks in Europe + introduction
- E) Contract from K & Investments to Niagara
- F) Letter from Perry Keir as solicitor
- G) Letter from White Holdings advising that lawyers are along with list of bank reference auditors (individual letters heads)
- H) Letter of Incorporation of Panama Niagara
- I) Pro forma prepared by auditors of Niagara to Congdon, Smith, Swellman

To be completed with
show documentation

- II A) Contract with Aubert Bank. (Kilby)
- Contract with Klar Grohn. (Kilby)
- Contract with Aeschberg SACL
- Contract with Tjehran SACL
- Contract with Gruzie SACL
- Contract with Baker Kilby or SACL
- Contract with Skottgart Kilby or SACL
- Contract with Austria SACL
- Contract and follow up.
Meyer
Mitchell etc Geneva Kilby or SACL

- III Cost of Printing - Call Sall at 1 p.m.
- Cost of Legal -
- Cost of Travel - MINIMUM \$100. per day per man plus travel

Parkman

2) Signs

- A) Printing Brochure and translations estimate. \$2500.00
- B) Legal and prospectus 2500.00 - *Jimmy*
- C) Contract with "Parkman" to allow Canadian operation to be General Partner and what they want
- D) Letter out lining Bankers, Auditors:
- E) Accrual owned and description, list of ASSETS - in detail with Costs and replacement costs for properties are
- F) Program showing results of money raised and application of funds
- G) Letter from Dept of Agriculture showing right to export "Pigs"
- H) Letter from Cornaught Labs showing history of strain.
- I) Letter out lining operation - pigs are born shot is put into dump with water methane collected (no smell) manure is treated and sold and cycle starts over as much minute detail as possible
- J) Contract with Dawson for underwriting and time elements and Costs so far known the rest.

To be completed
with a home
info

as much diligence as possible.

Travel arrangements

Sack is providing us with an office and telephone in Munich.

Sack wants an arrangement for transportation and will go to work.

Suggest - pay fares and hotels and give override of $x\%$.

or give him 20% and advance travel & hotels to be deducted.

Travel Costs. Actual costs without being extravagant run $\$6.50$ per day per man plus fares.

Printing costs for both desks are going to run about $\$500.00$ and legal fees will be about $\$250.00$ and you are looking at MINIMUM of 20 days of travel and fares of $\$1500.00$ in Europe alone.

Total before money on bank. say $\$1500.00 - \1800.00
Yet to be spent

6. 30 P. n.



Gardner Ex. VV
A 141

München Sheraton Hotel

Gesellschaft mit beschränkter Haftung
8 München 81, Arabellastraße 6, Telefon 0811/449811

March 15/70

Michael

As I explained it looks like we
will be able to raise the first 5 million
immediately for White.

I engaged a translator today and we
should have our mock up ready in
German by Wednesday. Please send
some money for the translator and the
printer to t/c #. 3 593.393.

at the DRESDNER BANK. Promenadeplatz.
8000 München 2 West Germany by Telex.

money talks here and if it isn't
forthcoming the distributors don't believe
me and will walk away. We now have
lined up 6 wholesalers with a total
retail sales force of over 600 men. The
next step is to visit them and their
bankers that is why it is necessary to have

Sitz: München - Registergericht: Amtsgericht München HRB 42028

Geschäftsführer: Karl-Heinz Hetzfeld, John Kapilias - Vorsitzender des Aufsichtsrates: Claude Feninger

Bayerische Hypothek- und Wechselbank München, Konto Nr. 432/111 600, Bankleitzahl 700 200 12 - Postscheckamt 8 München, Konto Nr. 273330

(2)

Gardner Ex. VV
A 142



München Sheraton Hotel

8 München 81, Arabellastraße 6, Telefon 0811/449811

Let go with me. There are his people
and as stated I refused to spend his
own money. He has been with me often
and the result has been that his interest
has ever been declined and consequently
he has had to go and sell bullshit stock
to get his own money back and he got
got anyone else on the team and he would
blow them again.

We tried the B. deal because he
deal and we may be able to place it
in Amsterdam, the man said yes
but no money has changed hands yet.
I am not here to see how
positive the attitude is towards
making both the Falls deal and the
pig deal successful. That's all for today
Jerry.

Gardner Ex. UU
A 143



München-Sheraton Hotel

Gesellschaft mit beschränkter Haftung
SHERATON HOTELS AND MOTOR INNS
A WORLDWIDE SERVICE OF ITH

8000 MÜNCHEN 81
ARABELLASTRASSE 6
TELEFON 0811-089-449811
TELEX 523754/522391

March 15/74

Michael

I think this has been a good day
so far. Belated Happy Birthday.
I somehow lost yesterday as I didn't
arrive until 2³⁰ Munich time. I was
routed thru Montreal Shannon
Frankfurt Munich. I suggest you
make your own travel arrangements in
future.

One last - a copy of a brochure done
here in Munich by Saul - cost 3 DM.

The translation alone costs 3000 DM.
The translation and pre production
expense will be 3500 DM. I was
with the printer and artists and
translator this morning. We will have
to make arrangements thru the
DRESSING OT2. Talk for funds here

(2)

Gardner Ex. UU
A 144



München-Sheraton Hotel

Gesellschaft mit beschränkter Haftung
SHERATON HOTELS AND MOTOR INNS
A WORLDWIDE SERVICE OF ITC

8000 MÜNCHEN 91
ARABELLA STRASSE 6
TELEFON 0811 4089 4499 11
TELEX 523 754/5 22391

before the printer will START.
he will have to put up 8000 DM. which
will cover translations Artists and $\frac{1}{2}$
of printing Cost. The balance of the
printing has to be paid on delivery.

Also enclosed is the Sheraton
brochure. The same agency that
raised 200,000,000 DM. (two hundred
million)

During 1973 for Sheraton has
tentatively agreed to go to work for us
if we can finalize the deal next Monday.
We are home free. At any rate they will
undertake to do part of the deal. Also.
they want to do the big deal. - As
you see I have been busy like hell.

(3)

Gardner Ex. UU
A 145



München-Sheraton Hotel

Gesellschaft mit beschränkter Haftung
SHERATON HOTELS AND MOTOR INNS
A WORLDWIDE SERVICE OF ITC

8000 MÜNCHEN 81
ARABELLASTRASSE 6
TELEFON 0811-089-449811
TELEX 523754/522391

Sal has agreed to go to Zurich
and Geneva and use his bank
for openers and he agrees we make
this a straight offering and in
market until at least \$5,000,000 ^{or US} ^{CANADIAN}
is raised. He thinks this can be
done with ease in 15 weeks from go.

Sal also has distribution (wholesale)
in Hamburg and Rotterdam + Frankfurt.
So while I have a ticket you will
have to arrange a ticket for
Sal. SHL Bin from Munich to
Zurich to Geneva to Paris to London
to Amsterdam to Hamburg to Frankfurt
to Munich.



München Sheraton Hotel

8 München 81, Arabellastraße 6, Telefon 0811 / 44 98 11

I have no more any question but what
the best complete the Fall deal
And you can show the people in
the fall the situation because and
because when we have the same main
being and you can advise Ross
that these same people are VERY HOT
on the fall deal. They may decide
to be withdrawing on the page.
The way to success will be to
have a set to the situation and
open an account with you
on the name of the existing company
and we have all the guarantees
and we can give you for 500
which you can pick up 1-500

P.S. Did you send my wife
that \$100⁰⁰? she needed
it so I hope it went out.
Suey

P.S.
Have John Michaels send me
a set of the slides he has - the
one projector and Carousel
Kevin Jim

CRSDNOR Bank.
P. 10000000 PLAT 2.
M. 10000000 10.6.

McLEAN, LYONS & KERR

BARRISTERS & SOLICITORS

372 BAY STREET
TORONTO, CANADA
M5H 2X5

CABLE ADDRESS: MCLEANLAW
TELEPHONE: 364-5371

WILSON E. McLEAN, Q.C.
G. T. SPENCE LYONS, Q.C.
H. C. KERR, Q.C.
WILLIAM E. PATERSON
ROBIN B. CUMINE
RICHARD J. ROBERTS
JOHN W. HANDIAK
JAMES MURPHY
ROBERT J. ARCANO
H. J. BLAKE
WALTER R. STEVENSON
ROBERT J. GOODMAN
MARTIN A. SEAR

April 11, 1974.

PLEASE REPLY ATTENTION OF

H.J. Blake

Mr. Vincent Kirby,
16 Trenton Drive,
Dollard Des Ormeaux, Quebec.

Dear Mr. Kirby;

We were unable to obtain the original requested name of KM INVESTMENTS INC. In view of your instructions that you had no particular requirement with respect to a corporate name except you did not want a numbered company, we obtained the incorporation of an investment company under the name EKALB INVESTMENTS INC.

We enclose herewith our reporting letter with respect to the incorporation and organization of EKALB INVESTMENTS INC. together with a memorandum of our fees and disbursements in that regard which we trust you will find to be entirely satisfactory.

Yours very truly,

HJ Blake / kms.

HJB:am
Encl.

Gardner Ex.MTF
A 148

S. Michael Gardner

475 FIFTH AVENUE

NEW YORK, NEW YORK 10017

(212) 689-3044

581-4788

April 9, 1974

Mr. V. Perry
The Metropolitan Trust Company
353 Bay Street
Toronto, Ontario
Canada

*Review To
By [unclear]*

Dear Vic,

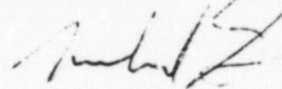
Enclosed is a copy of my letter to Bob Johnson, relative to the proof of a certificate for Niagara Falls Corporation, that he submitted.

Jerry and I have, of course, been working on the sales effort, and it has been progressing remarkably well. All of our preliminary work will be done this week. I expect to be in Toronto early next week, and will be in touch in order to make an appointment.

Vic, if you have no major corrections or changes on the certificates, I would appreciate your giving Bob the go-ahead, as soon as possible.

Thanking you for your cooperation and looking forward to seeing you shortly, I remain,

Yours very truly,



S. Michael Gardner

Enc:

SMG/sb



THE FRANKLIN PRESS LIMITED

A DIVISION OF
BRITISH AMERICAN BANK NOTE
COMPANY LIMITED

Gardner Ex. MTG
A 149

No 5819

193 KING STREET EAST TORONTO M5A 1J5 CANADA TELEPHONE 863-0066 AREA CODE 416

SOLD TO

NIAGARA FALLS CORPORATION

c/o Mr. Michael Gardner

Niagara Falls Corporation

475 Fifth Avenue

New York, New York 10021

ALL PRICES F.O.B. OUR PLANT
TERMS NET CASH
8% CHARGED ON OVERDUE ACCOUNTS

OUR ORDER NO.	DATE SHIPPED	YOUR ORDER NO.	DATE INVOICED	
44-216	Apr 30, 1974		Apr 30, 1974	
DESCRIPTION				AMOUNT
NIAGARA FALLS CORPORATION				
Invoice for work performed to date				
5000 Certificates No. B01001-B05000				\$ 750.00
Preparation of 2 Signature \$10 each				20.00
Extra run due to change in Customer's Wording				180.00
				<hr/> 950.00
F.S.T. - 12%				114.00
				<hr/> 1,064.00
P.S.T. - 7%				74.48
				<hr/> 1,138.48
Delivery Charges				7.50
				<hr/> <hr/> \$1,145.98

E. 80. E.

INVOICE

PRINTED IN CANADA

HETHERINGTON, KERWIN, ALLEN & HENDERSON
BARRISTERS & SOLICITORS

Gardner Ex. MTL
A 150

F. E. HETHERINGTON, O.C. (1914-1962)
P. R. KERWIN, O.C.
L. R. ALLEN
D. H. HENDERSON

8 CHURCH STREET
ST. CATHARINES, ONTARIO
TELEPHONE 665-5411

MAILING ADDRESS
P.O. BOX 89
ST. CATHARINES, ONTARIO
L2R 6R4

74 KING STREET E. EBY
BEAMSVILLE, ONTARIO
TELEPHONE 563-4322

MAILING ADDRESS
P.O. BOX 468
BEAMSVILLE, ONTARIO
L0R 1B0

March 22, 1974

Mr. S. Michael Gardner,
475 5th Avenue,
New York, New York,
10017.

PERSONAL

Dear Mike:

We have received confirmation that you do have
and are involved, in fact, some serious legal problems, to wit:

convicted of stock fraud December, 1973, now
under appeal;
possession of stolen treasury bonds- presently
up for sentencing;
F.B.I. advise at least one further serious charge
is pending.

Mr. Cosmides, Probation Officer, New York Federal
Building, confirmed the above.

We are not particularly concerned other than-
(a) your name in front affecting the sale of securities in Europe
(b) your ability to write cheques if in the gaol.

I do not wish to see you cut out from the transaction
nor is there any intention of same but we do know that neither Riley
or Clements will proceed on the deal if your name is connected in
any way with the deals and you are not in control of the money.

We see no reason why this can't be arranged without
hurt to yourself.

Give me a call after perusal of the above.

Yours truly,

HETHERINGTON, KERWIN, ALLEN & HENDERSON

Per: *L. Ross Allen*
L. Ross Allen

LRA/iu

Gardner

Gardner Ex. TA
A 151

425379 GAR UI845 23 87 0+

13173 ANIVA GI

MR. ASSEN IVANOFF

GENEVA

DEAR ASSEN,

THE SITUATION I DISCUSSED WITH YOU THIS MORNING IS AS FOLLOWS:

COMPANY: FUN TIME PACKAGES INC.

THE COMPANY DOES OVER FOURTY MILLION DOLLARS PER YEAR AND IS A LEADER
IN THE BUSINESS OF WHOLESALE TRAVEL PACKAGES.

MAINTAINS MID SIX FIGURE BANK BALENCES AT:

MANUFACTURES HANOVER TRUST COMPANY

BRANCH: 030 ACCOUNT NUMBER: 0-11165 AND HAS HAD LONG TERM SATISFACTORY
RELATIONSHIP.

COLLATERAL IS TWO HUNDRED THOUSAND U.S.D. TO BE DEPOSITED IN A
NEW YORK BANK OF OUR CHOICE AS A NON INTEREST BEARING ACCOUNT.

RECEIVABLES HAVE ALREADY BEEN PLEDGED AND THEY HAVE 30 DAYS TO POST
THE FUNDS.

THE PURPOSE OF THESE CREDITS IS TO GUARENTEE PAYMENT BY FUN TIME
AND TO COMPLY WITH THE VARIOUS CONTRACTS OF FUN TIME.

ALTHOUGH LETTERS OF CREDIT IN THE AMOUNT 500,000. U.S.D. SHALL
BE ISSUED, THERE SHALL NEVER BE MORE THAN 200,000. U.S.D. IN
OPEN GUARENTEED BILLS OUTSTANDING AT ONE TIME.

THESE LETTERS SHALL BE IRREVOCABLE " CLEAN " DOCUMENTS, AND
SHALL BE DRAWN ON A QUALIFIED SWISS BANKING INSTITUTION, IN

TESTED WORDING TO BE INCLUDED AS PART OF LETTER OF CREDIT:

USUALLY THERE IS A PRINTED TEXT AT THE TOP AND BOTTOM STATING
THE NAME OF THE BANK, THE NUMBER OF THE LETTER OF CREDIT, ECT.
THE KEY PARAGRAPH IN THE CENTER SHOULD BE AS FOLLOWS:

" BY MEANS OF THIS LETTER OF CREDIT WE IRREVOCABLY GUARENTEE
THE INDEBTEDNESS OF FUN TYME PACKAGED INC. TO YOU TO THE AGGREGATE
AMOUNT OF U.S.D. ----- THIS CREDIT IS
TO SUPPORT ANY AMOUNT NOW OWING OR TO BE OWED TO YOU BY FUN
TYME PACKAGES INC. WITHIN THE LIFE OF THE CREDIT BUT NOT EXCEEDING
THE AGGREGATE AMOUNT OF U.S.D. -----

IN THE EVENT YOU REQUIRE PAYMENT YOUR DRAFT MUST BE ACCOMPANIED BY:

- 1) COMMERCIAL INVOICE OR OTHER EVIDENCE OF THE AMOUNT OWING BY
FUN TYME PACKAGES INC.
- 2) YOUR STATEMENT THAT THE AMOUNT DRAWN IS OWING TO YOU AND
THAT YOU HAVE NOT RECEIVED IT FROM FUN TYME PACKAGES INC. -, AND
THAT THE AMOUNT IS IN DEFAULT.

BY THE WORD " YOU " HEREIN IS MEANT THE -----

----- FOR ITS OWN ACCOUNT
AND/OR AS AN AGENT FOR ANY OR ALL OF ITS MEMBERS.

LETTERS OF CREDIT TO BE ISSUED FUN TYME PACKAGES INC.:

TO:

JAMAICA HOTEL AND TOURIST ASSOCIATION

2 ARDENNE ROAD (CORNER HOPE ROAD)

KINGSTON 10, JAMAICA, WEST INDIES

ATTENTION OF :

MR. RUSSELL E. LEWARS

AMOUNT:

(2)

TT 02 36 1904

25379 GAR UI 845 28 43 0+

1230 RPL CR

R. M. VIGEVANI

DIRECTOR B.F.

NEVA

AR MR. VIGEVANI,

REF: L/C FUN TYME PACKAGES, INC., NEW YORK.

COMPLIMENT TO THE PHOTOCOPIES OF THE TELEX WHICH YOU HAVE,
REGARDING THE OPENING OF L/C FOR THE ABOVE CORPORATION, I HAVE TO
ADVISE YOU THAT IN A MEETING WHICH THE MANAGEMENT HAD ON 2/5/75
I HAVE OBTAINED FOR YOUR PROTECTION THE FOLLOWING:

FUN TYME SHALL POST A NON-INTEREST BEARING DEPOSIT
200,000.00 U.S.D., WHICH SHALL BE HYPOTHICATED AGAINST THE
GUARANTEES DISCUSSED ABOVE. THIS DEPOSIT WILL BE POSTED AT
NEW YORK BANK, WHICH WILL ACT AS AGENT FOR THE SWISS BANK
IN A CORRESPONDENT RELATIONSHIP. FUN TYME MAY ASSIGN RECEIVABLES
OTHER ACCEPTED COLLATERAL FOR A PERIOD OF THIRTY (30) DAYS,
BEGINNING ON THE DATE OF ISSUE OF CREDITS, AND SHALL REPLACE THIS
COLLATERAL WITH THE CASH COLLATERAL AT ITS PLEASURE DURING THAT
PERIOD.

THE REGULAR OPERATING ACCOUNT OF FUN TYME SHALL BE
TRANSFERRED TO A BANK DESIGNATED BY ? B.F.L. (AT PRESENT

ITT/Mail Communications
NY Phone Street 310-737-3311/Manager 312-22/Inter 312-55/Exec 312-55
ITT/Mail Communications

Gardner Ex. FA
-A 154

OF 350,000 U.S.D. IN ACCOUNT RECEIVABLE.
ASSIGNMENTS WILL BE HELD BUT NOT EXECUTED UNLESS THERE IS
DEFAULT, THE OPERATING ACCOUNT, THE COLLATERAL ACCOUNT,
AND THE ASSIGNMENT OF RECEIVABLES MAY ALL BE EXECUTED IMMEDIATELY
UPON NOTICE OF SAID DEFAULT AT THE DISCRETION OF THE ISSUER OF
THE CREDITS OR HIS AUTHORIZED AGENT.

THE LIABILITY EXPRESSED BY THE CREDITS SHALL IN NO WAY BE
INSTRUCTED TO EXCEED THEIR TPPNPPMPP U.S.D. FACE VALUE AS DIVIDED
AMONG THE BENEFICIARIES.

MANAGEMENT WILL BE LIABLE TO B.F.L. THAT THERE WILL NEVER BE
UTILIZATION OF THE L/C OVER 150,000/200,000 U.S.D. ...

THIS MODIFICATION BRINGS TO B.F.L. A FULL CONTROL AND A CASH
POSITION AT ALL TIMES OVER 600,000 U.S.D. WHICH FULLY
GUARANTEES THE L/C ISSUED TO THE AMOUNT OF MAX 500,000.00 U.S.D.

COMPANY IS VERY REPUTABLE. I HOPE YOU HAVE ALREADY RECEIVED
REQUESTED INFORMATION. WILL APPRECIATE YOUR COMMENTS AND
RESPONSE.

ENDING ON ALL OTHER DEALS,

REGARDS,

M IVANOFF

K IN NEW YORK - 42 53 79 + GAR UI

+++++

SECTION OF FOUR PARAGRAPH, LINE TWO. TO READ AS FOLLOWS:
GUARANTEED TO EXCEED THEIR 500,000.000 XXXXXXXXXXXXX

GUARANTEED TO EXCEED THEIR FIVE HUNDRED THOUSAND U.S.D. FACE VALUE
DIVIDED

ITT World Communications Inc.
New York, N.Y. 10017
Telex: 7550
Tele: 7550
Fax: 7550

ITT World Communications Inc.

ITT World Communications Inc.

BEST COPY AVAILABLE

Gardner Ex. PA
A 155

WITH PROPER AGREEMENTS THAT THIS IS TO BE LEFT AS SECURITY
OR L/C FOR A PERIOD OF ONE YEAR, RENEWABLE ON MUTUAL CONSENT
AND WITH NO INTEREST.

2) ATTORNEY WILL PREPARE AND FILE PROPER FIRST LIEN IN
ACCORDANCE WITH ALL LAWS.

3) YOUR FEES.

PLEASE CONFIRM TEXT IMMEDIATELY. I PROPOSE YOU SEND LETTERS
OF CREDIT TO BANK OF NEW YORK WITH INSTRUCTIONS TO RELEASE TO MR.
PATRICK CARR, OR AN ATTORNEY OF YOUR CHOOSING, WITH INSTRUCTIONS
TO RELEASE ONLY UPON ALL CONDITIONS ABOVE BEING COMPLETED.

I HAVE BEEN HOLDING THIS DEAL FOR SOME TIME AND NOW REQUIRE YOUR
IMMEDIATE ATTENTION AS THIS MATTER IS NOW BECOMING CRITICAL.

AS ALTERNATIVE, MY PEOPLE HERE WOULD BE HAPPY TO INVITE YOU TO
NEW YORK TO CLOSE DEAL AT YOUR EARLIEST CONVENIENCE.

I WILL CALL YOU AT 3PM YOUR TIME TOMORROW TO DISCUSS FURTHER.

BEST REGARDS,

ASSEM IVANOFF++++++

9

00/20/75 0011ET 004.9

ITT WORLD COMMUNICATIONS INC.

NY Phone Serv: Telegr. 797-3311 / Msgr. 7522 / Infor. 7550 / Telex 7590

Msgr. 7522 / Infor. 7550 / Telex 7590

NY Phone Serv: Telegr. 797-3311 / Msgr. 7522 / Infor. 7550 / Telex 7590

ITT World Communications Inc.

ITT World Commun

3

ITT 28 14 0133

425379 GAR UI S45 23 43 3+

00031 HPL CR

ATTENTION: MR. M VIGEVANI

MY DAUGHTER ARRIVED WITHOUT THE CORRESPONDENCE WHICH YOU WERE
TO HAVE PREPARED FOR HER AND TO HAVE DEPOSITED ON SATURDAY
IN MY APARTMENT LETTER BOX.

I HAVE RETAINED ATTORNEY TO SEE THAT EVERYTHING YOU REQUIRE IS
PROPERLY HANDLED.

PLEASE, IN VIEW OF ABOVE, SEND TEXT OF SPECIMEN L/C TO THIS
TELEX.

ATTORNEY WILL HAVE EVERYTHING NECESSARY FOR CLOSE BY WEDNESDAY.

I HAVE PERSONALLY CHECKED ON COMMERCIAL REFERENCES AND THEY ARE
ABSOLUTELY FIRST-RATE. WILL PLACE COPY IN MAIL TO YOU TODAY.

ATTORNEY I HAVE HIRED FOR YOU IS:

MR. PATRICK CARR, ESQ.

515 MADISON AVENUE

NEW YORK, NEW YORK

PLEASE SEND ALL DOCUMENTS TO HIM FOR CLOSING INCLUDING HIS
INSTRUCTIONS TO SECURE COLLATERAL AND FEES.

1) DEPOSIT OF 200,000.00 U.S.D. IN YOUR ACCOUNT AT BANK OF

Gardner Ex. FA 1
A 157

ITT 01 29 1324

425379 GAR UI845 23 87 0+

93873 ADIVA CH

DEAR ASSEN,

RE: FUN TYME PACKAGES, INC.

IN ANSWER TO YOUR TELEX OF YESTERDAY

1) BANK HAS HAD EXCELLANT RELATIONSHIP FOR SEVERAL YEARS.
THEY HAVE ALSO GIVEN UNSECURED L.C.'S WITH NO PROBLEM ON
MANY OCCASIONS. THE REASON I GOT THE DEAL IS THAT BRANCHES
NO LONGER ISSUE L.C. 'S.

2) ON SECURITY OF 300,000.00 U.S.D. THERE WILL NEVER BE MORE
THAN 200,000 975 -5 -,6 9,3 58.3. COMPANY PAYS BILLS WITHIN
10 DAYS OF RECEIPT. L.C. 'S ARE REQUIRED OF ALL COMPANIES IN
THIS BUSINESS.

- 3) COMPANY HAS AT ALL TIMES MID SIX FIGURE BANK BALANCES AND SEVEN FIGURE RECEIVABLES. IS VERY PROFITABLE AND DOES OVER 40 MILLION PER YEAR.
- 4) THEY WILL ALSO BUY HOTELS FROM US IN FUTURE AS THEY HAVE ABILITY TO FILL THEM UP.
- 5) WE ALSO CAN MOVE REGULAR OPERATING ACCOUNT TO NEW YORK BANK OF OUR CHOICE.

INFORMATION ON STOCKS WILL SEND LATER TODAY.

REGARDS,

MICHAEL - NEW YORK+++++

CORRECTION LINE TWO PARAGRAPH TWO:

THAN 200,000.00 U.S.D. AT ANY OV ONE TOME ONE TIME. COMPANY PAYS
BILLS WITHIN 10 DAYS OF RECEPIT.

WLOXIT 0610EST 004.2

425379 GAR UI

MR

1/31/75 1400 EST

425379 GAR UI

1/31/75 CH

1/31/75

334

MICHAEL :

ARRIVING SUNDAY 2/2/75 EVENING NY, LOOKING TO SEE YOU.

ANY THING I CAN BRING FROM HERE ?

BEST REGARDS:

ASSEN.

23373 ADIVA CH

425379 GAR UI

MICHAEL IS NOT IN THE OFFICE AT THE MOMENT.

I WAS JUST ABOUT TO SEND YOU A TELEX.

AS FAR AS THOSE CANADIAN MINING STOCKS ARE CONCERNED,

THERE OS NOR THERE IS NO MARKET HERE.

IS THERE ANY WORD ON THE FUN TIME SITUATION?

Gardner Ex. FA 1
A 160

REGARDS,

SUSAN FOR MICHAEL GARDNER

WE WILL DISCUSS WITH L/C.

THEY ARE EXPECTING THE INFO THEY HAVE ASKED ON THEIR CORRESPONDANT TO INFORM (BELIEVE THEY ASKED THE HANOI TRUST, THE BRANCH YOU GAVE IN THE TELEX)

1 THING WE HAVE TO FIND SOME ADDRESSES COMPLEMENTARY GUARANTEED READING ::

L/C WE (SWISS BANK) GUARANTEEING

SWISS CORP. UP TO 500,000 SUBJECT WE REALISE THE DEPOSITED ON TRUST ASSETS (COLLATERAL COLLATERAL)

WE HAVE DISCUSSED HERE AND WE HAVE TO BE ABLE TO FIND THE SOLUTION ?

...

MICHAEL WILL RETURN IN TWO HOURS. ALL I CAN TELL YOU IS THAT HE IS MOST ANXIOUS TO COMPLETE THIS AND IS LOOKING FORWARD TO SEEING YOU. I SHALL BE STAYING THIS TIME MORE THAN 10 DAYS. WE SHALL HAVE ALL OUR TIME TO WORK OUT SOME SOLUTION ?

++

VERY GOOD+

BYE FOR NOW

...

BYE+

...

BEST COPY AVAILABLE

Gardner Ex. FA 1
A 161

ITT DE 19 2323

425379 GAR UI 845 28 43 0+

20433 BFL CH

DEAR MR. VIGEVANI,

A) RE: L/C FUN TYME

WE HAVE NOW COMPLETED THE FILE ON FUN TYME PACKAGES, INC.

A COMPLETE FILE HAS BEEN MAILED TO YOU TONIGHT. I SHALL BRING
A COPY OF THIS FILE TO MR. VAN MARX AT THE BANK OF NEW YORK
TOMORROW.

WE HAVE AS SECURITY, THE FOLLOWING:

1) 200,000. U.S.D. DEPOSIT NON INTEREST BEARING TO BE PLACED
IN BANK OF NEW YORK OR ANY NEW YORK BANK AS PER YOUR INSTRUCTIONS
. WE SHALL PLACE IN SPECIAL ACCOUNT IN NAME OF FUN TYME AT YOUR
BANK VIA NEW YORK BANK.

2) 300,000. AS LIEN AGAINST RECEIVABLES. COPY WILL BE HELD
BY NEW YORK BANK. RECEIVABLES ARE ALWAYS BETWEEN 1.5 - 2.5 MILLION
U.S.D. THIS MEANS IN CASE OF DEFAULT WE ARE IN FIRST POSITION
AS TO COLLECTING RECEIVABLES. THIS IS AS RECOMMENDED BY VAN MARX
AND ACCEPTED BY THE COMPANY.

Gardner Ex. FA 1

THE FOLLOWING IS A PORTION OF THE TEXT OF OUR AGREEMENT WITH FUN A 161a

TYME:

" FUN TYME SHALL POST A NON INTEREST BEARING DEPOSIT OF
W 200,000. U.S.D., WHICH SHALL BE HYPOTHICATED AGAINST
THE GUARENTEES DISCUSSED ABOVE ONLY. THIS DEPOSIT WILL BE POSTED
AT A NEW YORK BANK, WHICH WILL ACT AS AGENT FOR THE SWISS BANK
WITH A CORRESPONDENT RELATIONSHIP. FUN TYME SHALL HAVE THE
RIGHT TO APPROVE THIS BANK.

FUN TYME DOES FURTHER ASSIGN ITS ACCOUNTS RECEIVABLES

EFFE

EFFECTIVE THE DATE OF THE ISSUANCE OF SAID LETTERS OF CREDIT
IN THE AMOUNT OF THREE HUNDRED THOUSAND DOLLARS, WHICH SAID
ASSIGNMENT SHALL BE A CONTINUING LIEN AGAINST THE ACCOUNTS
RECEIVABLE OF FUN TYME PACKAGES INC AS LONG AS THE AFORESAID
LETTERS OF CREDIT ARE IN FORCE AND EFFECT."

THE TEXT OF THE LETTERS SHOULD BE AS FOLLOWS," BY MEANS OF THIS
LETTER OF CREDIT WE IRREVOCABLY GUARENTEE THE INDEBTEDNESS OF
ABC TOURS TO YOU TO THE AGGREGATE AMOUNT OF U.S. -----
. THIS CREDIT IS TO SUPPORT ANY AMOUNT NOW OWING OR TO BE OWED
TO YOU BY ABC TOURS WITHIN THE LIFE OF THE CREDIT BUT NOT EXCEEDING
THE AGGREGATE AMOUNT OF U.S. -----.

Telex-7590
ITT World Communications Inc.
NY Phone Serv:Telegr. 797-3311/Msg. 7522/Infor.

(CORRECTION: IN THE TEXT OF THE LETTERS OF CREDIT ,
WHEREVER THE WORDS " A B C TOURS " APPEAR, THEY SHOULD BE
REPLACED BY THE WORDS " FUN TYME PACKAGES, INC. "

Gardner Ex. FA 1
A-162

THE CREDITS ARE TO BE ISSUED TO:

(REFER TO PRIOR TELEX FOR NAMES, ADDRESSES, AND AMOUNTS)

WE HAVE COMPANY'S PERMISSION TO EARN INTEREST ON 200,000. DEPOSIT.
MY PROPOSAL IS THAT THIS BE DIVIDED THREE WAYS, BETWEEN YOUR BANK
, MYSELF, AND MY ASSOCIATE HERE IN NEW YORK WHO HAS INTRODUCED ME
TO THIS CLIENT.

MY SUGGESTION IS THAT IF YOU APPROVE OF THIS DEAL, YOU SEND
ALL L/C'S TO THE BANK OF NEW YORK WITH INSTRUCTIONS THAT THEY
RELEASE THEM ONLY ON RECEIPT OF YOUR COMMISSIONS, AND ALL
COLLATERAL AS DESCRIBED ABOVE.

I WOULD APPRECIATE YOUR GIVING ALEXANDRA A SPECIMEN OF WHAT YOUR
LETTERS OF CREDIT WILL LOOK LIKE. MY DAUGHTER WILL BE COMING
TO NEW YORK FRIDAY OR SATURDAY AND CAN BRING THIS ALONG WITH
ANY CORRESPONDENCE TO ME.

B) OTHER ITEMS

ITT Communications Inc.
NY Phone Serv:Telegr. 797-3311/Msg. 7522/Infor. 7550/Telex 7590

1) WHAT IS EURO DOLLAR RATE ? PLEASE GIVE HIGHEST RATE POSSIBLE
AS I AM NEGOTIATING SUBSTANCIAL DEPOSITS WITH BROKER HERE. NEED
RATE ON DEPOSITS OF 100,000 - 1,000,000. FOR ONE, THREE, OR
FIVE YEARS - ALSO PLEASE ONE MONTH, THREE MONTHS, SIX MONTHS
NINE MONTHS? WITH WHICH INTERNATIONAL BANKS CAN DEPOSITS BE
MADE? HOW MUCH COMMISSION CAN WE OFFER?

2) PLEASE ARRANGE 1,000. U.S.D. OR 2,500. S.F. FOR MY
DAUGHTER, ALEXANDRIA. THANK YOU FOR YOUR TRANSFER OF THE OTHER
DAY.

BEST REGARDS,

ASSEN - NEW YORK ++++

P.S. I OMITTED YOUR COMMISSION 10,000. U.S.D.
NET YOU, PLUS YOUR THIRD INTEREST IN ONE YEAR DEPOSIT OF
200,000. IS SUGGESTED++++

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02/19/75 2338EST 011.8

ITT World Communications Inc.

NY Phone Serv: Teleg. 797-3311/MS

NY Phone Serv: Teleg. 797-3311/MS

NY Phone Serv: Teleg. 797-3311/MS

World Communications Inc.

Banque Fiduciaire de Lucerne S.A.
Lucerne Trust Bank Inc.Ad. 1618p. FIDIBANK - Téléphone 47 54 44/45/46 - Télec 28430
14, boulevard des Tranchées - 1211 Genève 12

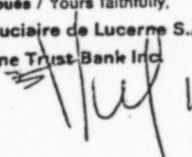
BFL

Original

7

COMMERCIAL LETTER OF CREDIT

Genève, le March 7th, 1975

CRÉDIT DOCUMENTAIRE / DOCUMENTARY CREDIT IRREVOCABLE		Numéro du crédit / Credit number de la banque émettrice of issuing bank 2001		de la banque notificatrice of advising bank	
Banque notificatrice / Advising bank		Donneur d'ordre / Applicant FUN TYME PACKAGES INC. 1824 Kings High Way BROOKLYN - NEW-YORK 11229 - U.S.A.			
Bénéficiaire / Beneficiary HILTON INTERNATIONAL CO. c/o Waldorf Astoria 50 Park Avenue NEW-YORK - Attention Mister F. RUOFF -		Montant / Amount US \$ 75.000.-- Now available up to 40 % only		Validité / Expiry Renewable for one year after confirmation from us -	
M / Dear Sir(s), Nous émettons en votre faveur ce crédit documentaire qui est utilisable par PAIEMENT contre remise des documents suivants :		We hereby issue in your favour this documentary credit which is available if you require by PAYMENT against presentation of the following documents : 1) Commercial invoice or other evidence of the amount owing by Fun Tyme Packages 2) Your statement that the amount is owing to you and that you have not received it from Fun tyme Packages and that the amount is in default. 3) This letter of credit is available only up to US \$ 30.000.- (40 % face value) and will be modified and increased only by separated amendment.			
concernant concerning					
Chaque présentation de documents doit indiquer le numéro du crédit de la banque émettrice et le numéro du crédit de la banque notificatrice. Each presentation of documents must indicate the credit number of the issuing bank and the credit number of the advising bank.					
Expédition / Embarkement de Despatch / Shipment from à to		Expéditions partielles Partial shipments		Transbordements / Transhipments	
Conditions spéciales : Special conditions :					
Nous garantissons que le paiement sera dûment effectué contre les documents présentés en conformité avec les termes de ce crédit. We hereby engage that payment will be duly made against documents presented in conformity with the terms of this credit.		Indications de la banque notificatrice / Advising bank's notification			
Vos dévoués / Yours faithfully, Banque Fiduciaire de Lucerne S.A. Lucerne Trust Bank Inc.  émettrice. bank.		Lieu, date, nom et signature de la banque notificatrice. Place, date, name and signature of the advising bank.			

Except so far as otherwise expressly stated, this documentary credit is subject to the Uniform Customs and Practice for Documentary Credits - (1962 Revision) International Chamber of Commerce (ICC Publication No. 222).

This document conforms with Standard Form No. 3 A of the ICC.

Ant émetteur, ce crédit documentaire est soumis aux conditions des crédits documentaires (Révision 1962) Chambre de Commerce (ICC Publication No. 222).

Article No 3 A de la C.C.I.

Téléphone: 47 94 44/45/46
Téléc: 28430
C.C.P. 12-311
Case postale 364
1211 Genève 12

Genève, le March 18th, 1975
14, boulevard des Tranchées

Mister Patrick CARR
Attorney At Law
Suite 3300
515 Madison Avenue
NEW-YORK - N.Y. 10022 - U.S.A.

Re : Fun Tyme Packages -

Dear Mister Carr,

I refer to the various commercial letters of credit I sent you few days ago.

I am sure these documents are safely held by you. I thought that the deal could take place in a short delay. If you believe that the deposit of US \$ 200.000.- will take place soon, please keep these letters deposited with you. Otherwise, send them back to our bank.

We thank you in advance for your cooperation.

I hope you in good health.

Best regards,

BANQUE FIDUCIAIRE
M. Vigevani

MTV/md

ALTHOUGH LETTERS OF CREDIT IN THE AMOUNT 500,000. U.S.D. SHALL

Gardner Ex. PI
A 176

12-311
postale 354
Genève 12

Genève, le March 5th, 1975
14, boulevard des Tranchées

Mister Patrick J. CARR
Attorney At Law
Suite 3300
515 Madison Avenue
NEW-YORK - N.Y. 10022 - U.S.A.

Dear Mister Carr,

I enclose several letters of credit as per our agreement.

I send you also a sample of documents to be signed by Fun Tyme packages officers.

I need also a corporate decision signed by secretary of the board that the signing officers commit the Corporation.

Beside these documents, you certainly have prepared the necessary documents completing the deal.

Please put in the opening credit form the amount of receivables which will be leaned in our favour, as well as the amount in cash which will be deposited in our favour.

Please ask Bank of New-York to advise us by telex when our account credited with the cash amount.

We thank you for your co-operation and are, dear Mister Carr,

Sincerely Yours,

BANQUE FIDUCIAIRE
M. Vigevani

/md

enclosures -

ALTHOUGH LETTERS OF CREDIT IN THE AMOUNT 500,000. U.S.D. SHALL
BE ISSUED, THERE SHALL NEVER BE MORE THAN 200,000. U.S.D. IN
OPEN GUARENTEED BILLS OUTSTANDING AT ONE TIME.

TELEX: 28430
C.C.P. 12-311
Case postale 354
1211 Genève 12

Genève, le
14, boulevard des Tranchées

- OPENING CREDIT FORM -

The bank, Trust Bank Inc. hereinafter called "the bank" is opening to
FUN TYME PACKAGES -

hereinafter named "the debtor" a credit line of

US \$ 497.000.-- (now available up to 40 % only) to open commercial letter
of credit.

This facility is subject to the general conditions of the bank, which are
known to the debtor, as well as to the following special conditions :

- The debtor will pledge in favour of Trust Bank Inc. US \$ cash
as well as receivables up to US \$
- Conditions of debit interest will be stated by separate documents or letters.

The bank is hereby authorized and empowered to open and maintain an account
in its books, on which any amounts, transfers, cheques, drafts, etc. will be
debited. Furthermore the debtor will be bound by any other arrangements or
transactions in which the bank will enter as per instructions received from
the debtor, by phone, letter, telegraph or any other means whatsoever.
The debtor will be obliged to reimburse any amount which is or shall become
due to the bank : the books of the bank will be admitted as evidence.

The bank is empowered to state the account of the debtor, quaterly, on march
31st, june 30th, september 30th, and december 31st each year. Nevertheless,
the bank is authorized to state the account at any convenient date.

The debtor will be bound by the transaction executed by the bank in accordance
with instructions received from any officer or employee of the debtor when
entitled to do so.

The debtor engages himself to pay the interest due to the bank as well as
all other charges or fees. The debtor will be asked to refund the bank of
any payment effected by order and for the account of the debtor.

The debtor will cover the bank of the balance of his account, in capital,
interest and fees, and this at its first request. Nevertheless, the debtor
will be responsible towards the bank for any consequence which could be raised
in respect of this account at any time, even after its closing date.

as well as with the other debtors.
Any one of the debtor shall take any necessary measure in case of inventory, bankruptcy, certificate or succession of one of them. The bank will not be responsible for consequences in this respect ; nevertheless it can take any measure which seems necessary to the safeguard of its own interests.

The bank is empowered to modify, at any time, the present act, as well as any conditions stated in this form.

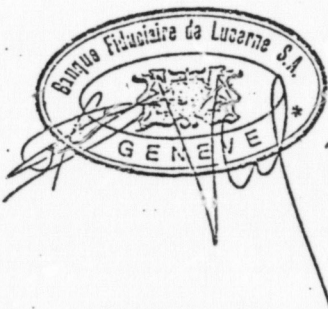
Any contestation which could be raised in respect of the present document will be judged by the ordinary law-court of the Canton de Genève.
Failing a residence in the Canton de Genève, the debtor will accept the election of domicile in Geneva, where all notifications shall be validly addressed to him at the record-office of the General Attorney of Geneva.
The law-pursuits can be performed at the elected domicile ; nevertheless, the bank keeps the right to act at the actual residence of the debtor or at its legal one.

The debtor recognizes having received a copy of the present document and agrees with the conditions stated above.

Geneva,
New-York, March 7th, 1975

THE BANK

THE DEBTOR



ALTHOUGH LETTERS OF CREDIT IN THE AMOUNT 500,000. U.S.D. SHALL
BE ISSUED BY MORE THAN 200,000. U.S.D. IN

Lucerna Trust Bank Inc.

Treuhandbank AG Luzern

Banca Fiduciaria di Lucerna S.A.

Adresse Télégr.: FIDBANK
Téléphone: 47 94 44/45/46
Télex: 28430
C.C.P. 12-311
Case postale 364
1211 Genève 12

Genève, le
14, boulevard des Tranchées

- PLEDGE ACT -

Customer's Copy

I hereby agree to pledge in your favour any and all securities, commodities, shares, any amounts in Swiss francs or other currencies, credits or drafts, carried now, or hereafter held by you, all goods belonging to me either individually or jointly with others, held by you or by third people in my favour. Any and all interests, rights, presents and futures, attached to the above securities, will belong to you. All the nominatif shares shall be pledged as per art. 901 of the Code Civil suisse.

The present guarantee is held by you as security for the payment of any liabilities, interest, commission, increase in rate, caused by the money market conditions, as well as for such other charges you may make to cover our facilities and extra services. The amounts due by me shall be proved in your account-books.

Whenever in your discretion you consider that the value of the securities, as a fixed margin, is not sufficient to cover the debit balance of my account, you may ask for increase securities or for a payment reducing my net position in your books. If I do not fulfil this engagement in the terms fixed by a registered letter to my last address, the credit shall become exigible and you are authorized but not obliged to sell at your convenience without advice to me or pursuit against me, by the way you prefer, at the stock-exchange or by private contract, all securities or part of them, and it is further understood that you are empowered to give these same securities part of them, as pledge, to cover your credit.

In case of risk in the waiting, you shall advise me by cable and reduce the days to 48 hours.

I am furthermore authorized to sell at any time and without advice to me, the way you believe more favorable in your interests, all securities or is in case of delay in the reimbursement.

I am charged to cash the dividends of the shares, to take care of their reimbursement, conversion, paying off, subscribing rights, as published by specialized newspapers, but without responsibility in this connection or earning decreasing of their value.

.../...
V7

Gardner Ex. FR
A 180

10022
8684

TELEX: 42 53 79
CABLE: GARDNERCO

- 2 -

I personally engage myself to take care of the rights attached to the securities given as a pledge and this without any responsibility for you. Nevertheless, you are empowered to take any necessary measure to preserve your interests. You should not be responsible of damages or risks which could affect to goods accepted as guarantee.

I authorize you to take any necessary action in respect of the validity, transfer, realisation of the pledge and hereby engage myself to give you all my assistance in this connection.

For any difficulties which could arise in respect of the present act, I hereby accept the Swiss Law and the competence of the Geneva Court-law, the recourse to the Federal Court being reserved, unless you prefer to take up the action at my domicile. For this purpose I appoint my domicile at your address, which will be the same for pursuits, if I am residing in a foreign country or if I transfer my domicile abroad, after having signed the present act.

Geneva,
New-York, March 7th, 1975

March 18, 1975

Mr. Maurizio Vigevani
Banque Fiduciare de Lucerne, S.A.
14 Boulevard des Tranchees
1211 Geneva 12
Switzerland

Dear Mr. Vigevani:

I spoke with Mr. Parker, the attorney for Fun Tyme Packages, on the telephone after his return from the Caribbean. Apparently, Fun Tyme has reconsidered accepting our letters of credit. Mr. Parker said that he wished to postpone negotiations. He explained that he was trying to work out an arrangement which would be more favorable to Fun Tyme. Accordingly, I am enclosing herewith the 12 letters of credit which you sent to me with your letter of March 5. These 12 letters of credit have an aggregate face value of \$497,000.00. In the interest of safety, I have cancelled these letters by cutting off the signature portion. I also enclose the original opening credit form and pledge act.

I am sorry that this transaction could not be completed. However, I feel that Fun Tyme was very disappointed with the manner in which Mr. Gardner conducted himself. I am also enclosing a copy of the letter he wrote to Fun Tyme on January 29, 1975. Mr. Parker sent that letter to me yesterday.

In the near future I will send you a statement for my services rendered. It was a pleasure meeting with you and I hope that I may be of service to you in the future.

Very truly yours,

Patrick J. Carr

0204/75 0531 EDT

420712 ITT UI

28430 BFL CH

Gardner Ex. FR 1
A 132

05 MAR 4 PM 7 05

ATTENTION MISTER PATRICK CARR -

RE : FUN TYME PACKAGES -

AGREE TO OPEN LETTERS OF CREDIT UP TO 40 PERCENT FACE VALUE -
EACH L/C WILL READ :

A) THIS LETTER OF CREDIT IS AVAILAIBLE ONLY UP TO US DOLL.

(40 PERCENT FACE VALUE)

AND WILL BE MODIFIED AND INCREASED ONLY BY SEPARATED AMENDMENT -

B) THE PRESENT L/C IS AVAILAIBLE UP TO THE AMENDED AMOUNT AGAINST
PRESENTATION OF THE FOLLOWING DOCUMENTS -

1) COMMERCIAL INVOICE OR OTHER EVIDENCE OF THE AMONT OWING

BY FUN TYME PACKAGES -

2) YOUR STATEMENT THAT THE AMOUNT IS OWING TO YOU AND THAT

YOU HAVE NOT RECEIVED IT FROM FUN TYMEPACKAGES AND THAT

THE AMOUNT IS IN DEFAULT -

PLEASE NOTE THAT I DON'T WANT THAT THE DOCUMENTS SIGNED BY FUN

TYME PACKAGES AND OURSELVES, STATE THAT THE AMOUNT OF DOLL. 200.000.-

MUST BE DEPOSITED WITH BANK OF NEW-YORK (IT WILL PROBABLY BE DEPOSITED

WITH XX THEM) BUT WE SHOULD FEAL FREE TO DEPOSIT THE AMOUNT WITH

ANY BANK WE WANT PAYING US A BETTER INTEREST RATE -

I SUGGEST TO OPEN THE SMALER L/C UP TO 100 PERCENT OF THEIR

FACE VALUE , REDUCING THE MAJOR ONE - THIS MEANS ALL LETERS UP

TO DOLL. 3.000.- FACE X VALUE WILL BE OPENED AT 100 PERCENT AND

THE BXX OTHERS REDUCED TO 40 PERCENT -

THE CASH DEPOSIT SHOULD CORRESPOND TO TIEEEE THIS COMPUTATION,

I.E. DOLL. 204.800.- BUT I DON'T MIND TO OPEN THEM ALL AT

40 PERCENT - THE CASH AMCUNT NECESSARY BEING DOLL. 198.800.- -

PLEASE TAKE NECESSARY ARRANGEMENT FOR THE PAYMENT OF OUR COMMISSION

WE WILL SEND YOU L/C TODAY OR TOMORROW AND YOU WILL RELEASE THEM

AS PER CONDITIONS STATED IN YOUR MESSAGES -

PLS ADVISE IF OUR CUSTOMER WANTS SMALLER LETTERS TO BE OPENED

40 PERCENT OR 100 PERCENT -

THKS AND REGARDS -

M. VIGEVANI - FIDBANK - GENEVA -(BXX BANQUE FIDUCIAIRE)

NY Phone Serv: Teleg. /

NY Phone Serv: Teleg. 797-3311 / Msgr. 7522 / Infor. 7550 / Telex 7530

ITT World Communications Inc.

Infor. 7550 / Telex 7530

Communications Inc.

ITT World

Communications Inc.

NY Phone Serv: Tel

Infor. 7522 / Infor. 7530 / Telex 7530

Gardner Ex. FS
A 183

S. Michael Gardner

745 FIFTH AVENUE
NEW YORK, N. Y. 10022
SUITE 1505
(212) PLAZA 3-8684

TELEX: 42 53 79
CABLE: GARDNERCO

March 3, 1975

Mr. Patrick Carr
515 Madison Avenue
New York, N.Y. 10022

Dear Sir,

Please accept this as your authority to collect on my behalf fees due to me on the transaction involving Fun Tyme Packages, Inc.

Fees, as per my agreement dated January 15, 1975 are \$25,000. ; of which I have received \$ 7,500. , which leaves \$ 17,500. due, payable upon closing.

Thanking you for your services in this regard, I remain,

Yours very truly,

S. Michael Gardner

SMG/sb

01/28/75/ 2151 EST

425379 CAR UI

23870 ADIVA CH

GENEVE LE 22 JANVIER 1975

MR. M. GARDNER

NEW YORK

DEAR MICHAEL

HAVE DISCUSSED P/T IN GREAT DETAIL WITH BPL. I BELIEVE I CAN
HAVE LETTERS IN MAIL DIRECTLY OUT OF BANK TO RECEIVERS TOMORROW

IF COLLATERAL IS STILL A PROBLEM I WILL COME TO NEW YORK TO
PERSONALLY TAKE OVER ARRANGEMENTS AND MAKE CERTAIN THAT DEAL
GETS DONE SO THAT YOU ARE NOT EMBARRASSED.

REGARDS TO YOUR FAMILY FROM MY WIFE

REGARDS

ASSEN

425379 CAR UI

23870 ADIVA CH

BEST COPY AVAILABLE

Myrtle Rupe Interiors
Custom Made Drapes & Bed Spreads
Draperies & Upholstering Fabrics
2725 Manchester Drive 751-1303
Oklahoma City, Okla. 73120

Gardner Ex. DX CEF
A 185

PERSONAL FINANCIAL STATEMENT

June 1, 1974

ASSETS

Cash - Village Bank, Oklahoma City, Oklahoma	\$ 1,522.01
Business Account, Village Bank, Oklahoma City, Oklahoma	1,200.00
Accounts Receivable	1,500.00
Mortgage - Coronado Country Club, Liberal, Kansas	36,500.00
Investments, Real Estate Tucumcari, New Mexico	11,500.00
Note - Secured	8,802.78
Note - Secured	23,500.00
Note - Secured	76,395.00
Savings and Loan	22,000.00
Home and Furniture	61,000.00
Auto and Personal	16,000.00
Business, Merchandise and Equipment on hand	30,000.00
50% ownership Coronado Country Club & Estates, Liberal, Kansas	<u>425,000.00</u>
TOTAL ASSETS	<u>\$714,919.79</u>

LIABILITIES

Note - Village Bank, Oklahoma City, Oklahoma	\$ 23,500.00
30 day account	650.00
Liabilities	<u>\$ 24,150.00</u>
Net Worth	<u>690,769.79</u>
TOTAL LIABILITIES	<u>\$714,919.79</u>

Myrtle Rupe

Myrtle Inape Interiors
Custom Made Drapes & Bed Spreads
Drapery & Upholstering Fabrics
2725 Manchester Drive 751-1303
Oklahoma City, Okla. 73120

Gardner Ex. DX CEF
A 186

PERSONAL FINANCIAL STATEMENT

June 1, 1974

ASSETS

Cash - Village Bank, Oklahoma City, Oklahoma	\$ 1,522.01
Business Account, Village Bank, Oklahoma City, Oklahoma	1,200.00
Accounts Receivable	1,500.00
Mortgage - Coronado Country Club, Liberal, Kansas	36,500.00
Investments, Real Estate Tucumcari, New Mexico	11,500.00
Note - Secured	8,802.78
Note - Secured	23,500.00
Note - Secured	76,395.00
Savings and Loan	22,000.00
Home and Furniture	61,000.00
Auto and Personal	16,000.00
Business, Merchandise and Equipment on hand	30,000.00
50% ownership Coronado Country Club & Estates, Liberal, Kansas	<u>425,000.00</u>
TOTAL ASSETS	<u>\$714,919.79</u>

LIABILITIES

Note - Village Bank, Oklahoma City, Oklahoma	\$ 23,500.00
30 day account	650.00
Liabilities	<u>\$ 24,150.00</u>
Net Worth	<u>690,769.79</u>
TOTAL LIABILITIES	<u>\$714,919.79</u>

Myrtle Inape

COUNTRY CLUBS OF AMERICA

ROUTE 1, P. O. BOX 361
MANNFORD, OKLAHOMA

Gardner Ex. CEG
A 187

74044
1-918-865-2124

SCH.
A

DRAW SCHEDULE

Golf Course

Irrigation System (Buckner)	\$ 43,240.00
Pipe - 21,500 ft. (Average cost due to size) .32	6,880.00
Cost of laying pipe - .21¢	4,515.00
Completion of green's @ 2,160 per green	38,880.00
Seeding cost, see & fertilizer	31,900.00
TOTAL	\$ 125,415.00

*NOTE: Country Clubs of America has most of their own equipment and operator, therefore, the labor cost is low.

DRAW SCHEDULE

Water Line to 144 Home Sites

21,560 feet @.24¢	\$ 5,174.40
21,560 feet (Cost of laying pipe) .21 ft.	4,527.60
TOTAL	\$ 9,702.00

DRAW SCHEDULE

Asphalt paving of Streets & Parking

7,000' x 30' - 210,000 sq.ft. @ .38¢ sq.ft.	\$ 79,800.00
300 x 300 - 90,000 sq.ft. @ .38¢	34,200.00
TOTAL	\$ 114,000.00

CA

COUNTRY CLUBS OF AMERICA

ROUTE 1, P. O. BOX 361
MANNFORD, OKLAHOMA

Gardner Ex. CEG
A. 188

74044

1-918-865-2124

DRAW SCHEDULE

Swimming Pool Enclosure

Electric	\$ 4,980.00
Heating & Air Conditioning	18,110.00
Plumbing	13,200.00
Steel	7,400.00
Concrete Work	5,600.00
Concrete Block	8,409.00
Roof & Sheeting	5,691.00
Glass & Windows	<u>7,241.00</u>
TOTAL	\$ 70,631.00

DRAW SCHEDULE

Completion of Pro Shop

Electric	\$ 2,184.00
Concrete	1,120.00
Carpentry Work	7,400.00
Glass	<u>1,920.00</u>
TOTAL	\$ 12,624.00

CAC

A 108

COUNTRY CLUBS OF AMERICA

ROUTE 1, P. O. BOX 361
MANNFORD, OKLAHOMA

Gardner Ex. CEG
A 189

74044

1-918-865-2124

BREAKDOWN OF TOTAL EXPENSES

Total Completion Costs	\$ 320,862.00
First Mortgage	49,000.00 <i>50,000</i>
Myrtle Rupe (Repayment of Investment)	173,000.00
Approximate Current Bills	30,000.00
Interest on Loan (Advance payment for one year)	84,000.00
Operating Capital	<u>43,138.00</u>
TOTAL	\$ 700,000.00

Myrtle Rupe Interiors
Custom Made Drapes & Bed Spreads
Drapery & Upholstering Fabrics
2725 Manchester Drive 751-1303
Oklahoma City, Okla. 73120

Gardner Ex. CDD
A. 190

PERSONAL FINANCIAL STATEMENT

May 1, 1974

ASSETS

Cash - Village Bank, Oklahoma City, Oklahoma	\$ 1,522.01
Business Account, Village Bank, Oklahoma City, Oklahoma	450.00
Accounts Receivable	2,018.77
Mortgage - Coronado County Club, Liberal, Kansas	36,500.00
Investments	11,500.00
Note - Secured	8,802.78
Note - Secured	22,500.00
Note - Secured	10,000.00
Loan	2,000.00
Savings and Loan	30,000.00
Home and furniture	35,000.00
Car and personal	16,000.00
Business, Merchandise and Equipment on hand	30,000.00
5% interest in Coronado Country Club, Liberal, Kansas	75,000.00
TOTAL ASSETS	<u><u>\$281,303.56</u></u>

LIABILITIES

Note - Village Bank, Oklahoma City, Oklahoma	\$ 1,000.00
30 day account	990.59
Liabilities	\$ 1,990.59
Net Worth	<u>279,312.97</u>
TOTAL LIABILITIES	<u><u>\$281,303.56</u></u>

Myrtle Rupe

5-29-1974

COPY RECEIVED
SEP 9 1976
ROBERT B. FISKE JR.
U.S. DIST. CT.
SOUTHERN DIST. OF N.Y.